

# Mayor and Council Communication

**DATE:** 03/10/26

**M&C FILE NUMBER:** M&C 26-0171

**LOG NAME:** 2026 STORMWATER COMMERCIAL PAPER TRANSFER

**SUBJECT**

(ALL) Adopt Appropriation Ordinance to Adjust Funding from the Stormwater Commercial Paper Program to Align with the Reimbursable Limits from the Tarrant Regional Water District for Fort Worth Central City Drainage Improvements and Amend the Fiscal Years 2026-2030 Capital Improvement Program

**RECOMMENDATION:**

It is recommended that the City Council:

1. Adopt the attached appropriation ordinance adjusting appropriations in the Stormwater Commercial Paper Fund, by increasing appropriations in certain identified stormwater capital projects (City Project Nos. 103261, 103262, 103263, 103264, 103667) in the cumulative amount of \$1,436,796.80 and decreasing appropriations in the Fort Worth Central City 5th St Greenleaf Sump project (City Project No. 103260) by the same amount, with no net change to the total appropriation in the Fund; and
2. Amend the Fiscal Years 2026-2030 Capital Improvement Program.

**DISCUSSION:**

The purpose of this Mayor and Council Communication (M&C) is to redistribute funding from the Drainage Utility's Commercial Paper program, used as an interim funding source for stormwater projects, among various Fort Worth Central City (FWCC) drainage projects to align with the maximum reimbursable limits outlined in the reimbursement letters from the Tarrant Regional Water District (TRWD).

On April 18, 2023, Informal Report (IR) 23-0865 was issued to discuss the FWCC stormwater and water project costs and reimbursement plan. The IR explained how funding for FWCC drainage projects would be appropriated from existing Stormwater projects to meet the Corps of Engineer's FWCC critical path schedule. To minimize impacts to Stormwater capital projects, Stormwater worked with the Finance Department and the City's Financial Advisors to explore alternative funding mechanisms including the creation of a new Commercial Paper Program for the Stormwater Fund. On June 27, 2023, City Council approved the establishment of a cost-effective liquidity program using Commercial Paper to assist with the award of contracts for the City's stormwater capital projects (M&C 23-0604).

In accordance with the Interlocal Agreement between the City of Fort Worth and TRWD, City Secretary Contract No. 43425-A1, and pursuant to the Trinity River Vision Authority Project Plan, the City of Fort Worth is eligible for reimbursement of costs associated with Fort Worth Central City-related work (formerly known as Trinity River Vision-related work).

The current reimbursable amount for drainage related work under these agreements shall not exceed \$51,473,492.28, which represents, as of the current date, the total of the original consultant and construction contracts, material testing fees, and inspection fees, for Fort Worth Central City-related work. Of this total, up to \$35,930,437.00 represents the maximum cumulative amount eligible for annual reimbursement requests, and \$15,543,055.28 will be eligible for reimbursement directly from future Tax Increment Finance (TIF) revenues. However, the actual amount reimbursed will be based on the final invoiced costs for the work performed. These expenses will be reimbursed by TRWD through available funds with no net expense to the City.

For the Central City projects that are reimbursed annually by TRWD, the Extendable Commercial Paper (ECP) is utilized as an appropriation authority, but ECP will only be issued to the extent needed to make monthly payments equal to the amount of invoices accrued through each period. Toward the end of each fiscal year, TRWD provides an annual reimbursement, which is applied to the balance of outstanding commercial paper notes.

Aligning the Commercial Paper program as the funding source for FWCC drainage projects will ensure that all expenses eligible for reimbursement are funded through the Commercial Paper Fund, which is used as a short-term debt instrument.

Funding is currently available in the FWCC 5th St Greenleaf Sump (City Project No. 103260) for the purpose of funding five FWCC projects: FWCC Bazaar Outfall (City Project No. 103261), FWCC Main Street Outfall (City Project No. 103262), FWCC University (City Project No. 103263), FWCC Viola (City Project No. 103264), FWCC Cemetery Outfall & Houstn (City Project No. 103667).

Upon approval of this M&C, Commercial Paper funding will be adjusted within the FWCC projects based on the expected TRWD reimbursement as shown in the table below.

Project	Currently Appropriated	Budget Change (Increase/Decrease)	Total
FWCC 5th St Greenleaf Sump (103260) Fund 52009	\$7,237,351.00	(\$1,436,796.80)	\$5,800,554.20

FWCC Bazaar Outfall (103261) Fund 52009	\$0.00	\$294,453.40	\$294,453.40
FWCC Main Street Outfall (103262) Fund 52009	\$0.00	\$108,286.00	\$108,286.00
FWCC University (103263) Fund 52009	\$0.00	\$288,518.40	\$288,518.40
FWCC Viola (103264) Fund 52009	\$0.00	\$413,995.00	\$413,995.00
FWCC Grand Ave Ph2 Pt2 (103664) Fund 52009	\$11,594,739.00	\$0.00	\$11,594,739.00
FWCC Grand Ave Ph2 Pt3 (103665) Fund 52009	\$10,958,645.00	\$0.00	\$10,958,645.00
FWCC New Main Street Outfall & 8 (103666) Fund 52009	\$9,917,668.00	\$0.00	\$9,917,668.00
FWCC Cemetery Outfall & Houstn (103667) Fund 52009	\$0.00	\$331,544.00	\$331,544.00
Stormwater Commercial Paper Project (UCMLPR) 52009	\$60,291,597.00	\$0.00	\$60,291,597.00
<b>Total</b>	<b>\$100,000,000.00</b>	<b>\$ 0.00</b>	<b>\$100,000,000.00</b>

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the FWCC 5th St Greenleaf Sump project within the Stormwater Commercial Paper Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the Stormwater Commercial Paper Fund for the FWCC Bazaar Outfall, FWCC Main Street Outfall, FWCC University, FWCC Viola and FWCC Cemetery Outfall & Houstn projects. Prior to an expenditure being incurred, the Transportation and Public Works Department has the responsibility of verifying the availability of funds.

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