

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 04/23/24M&C FILE NUMBER: M&C 24-0362

LOG NAME: 60MORNINGSTAR WESTPOINT 24INCH SEWER IMPROVEMENTS

SUBJECT

(MUD 1 and 2 Near CD 3) Authorize Execution of a Community Facilities Agreement with FG Aledo Development, LLC, with City Participation in the Amount Not to Exceed \$2,385,486.12 for Oversizing 12-inch and 15-inch Sewer Mains to a 24-inch Sewer Main Along Westpoint Boulevard in the Morningstar Development, and Adopt Appropriation Ordinance to Effect a Portion of Water's Contribution to the Fiscal Years 2024-2028 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the execution of a Community Facilities Agreement with FG Aledo Development LLC with City participation in an amount not to exceed \$2,385,486.12 for oversizing 12-inch and 15-inch sewer mains to a 24-inch sewer main along Westpoint Boulevard in the Morningstar Development; and
2. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Water & Sewer Bond 2020A Fund by increasing estimated receipts and appropriations in the Community Facilities Agreement Bucket programmable project (City Project No. P00001) in the amount of \$2,843,261.00 and decreasing estimated receipts and appropriations in the Unspecified-All Funds project (City Project No. UNSPEC) by the same amount for the purpose of funding the Community Facilities Agreement – CFA MORNINGSTAR DEV OS SS project (City Project No.105124) and to effect a portion of Water's contribution to the Fiscal Years 2024-2028 Capital Improvements Program.

DISCUSSION:

FG Aledo Development, LLC (Developer) is constructing the Morningstar development project located east of Farmer Road 3325 and south of Westpoint Boulevard. The City is participating in the public sewer improvements to oversize 12-inch and 15-inch sewer mains to a 24-inch sewer main located along Westpoint Boulevard to create capacity for additional developments to the west of Morningstar development. The City will cost participate in the oversizing of 4,028 linear feet of the 24-inch sewer main, with the cost allocation estimated to be at 16.4% for the Developer and 83.6% for the City. The City's calculation for City participation is in accordance with the City's Community Facilities Agreement (CFA) unit price ordinance number 23657-05-2019. The Morningstar Westpoint 24-inch sanitary sewer line project is assigned City Project No. 105124 and Accela System Record IPRC23-0151.

This project has been publicly bid. The City's cost participation in oversizing the sewer main is estimated to be in an amount not to exceed \$2,385,486.12 as shown in the table below. Payments to the Developer are estimated to be \$2,288,871.53 for construction costs and \$45,777.43 for material testing. The City's cost participation also includes \$50,837.16 to cover the City's portion of construction inspection service fees, and administrative material testing fees. An additional \$457,774.31 in the contingency funds will cover the City's portion of any change orders.

The following table shows the cost-sharing breakdown for the project between all parties:

A. Public Improvements	Developer Cost	City Cost	Total Cost
Unit 2- Sewer with City Participation	\$449,013.07	\$2,288,871.53	\$2,737,884.60
Unit 2-Sewer without City Part.	\$7,200.00	\$0.00	\$7,200.00
Total Construction	\$456,213.07	\$2,288,871.53	\$2,745,084.60
Contingency	\$0.00	\$457,774.31	\$457,774.31
B. Inspections & Testing			
1. Construction			

Inspection Fee	\$9,249.60	\$47,150.40	\$56,400.00
2. Admin Material Testing Fee	\$723.24	\$3,686.76	\$4,410.00
3. Material Testing Cost	\$0.00	\$45,777.43	\$45,777.43
4. Water Lab Fee	\$0.00	\$0.00	\$0.00
Total Project Cost	\$466,185.91	\$2,843,260.43	\$3,309,446.34

*Numbers will be rounded up for accounting purposes.

The reimbursement of the City 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.

It is the practice of the Water Department to appropriate its CIP plan throughout the Fiscal Year, instead of within the annual budget ordinance, as projects commence, additional funding needs are identified, and to comply with bond covenants. The actions in the Mayor & Council Communication (M&C) will appropriate funds in support of the Water Department's portion of the City of Fort Worth's Fiscal Years 2024-2028 Capital Improvements Program, as follows:

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Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/ Decrease)	Revised FY2024 Budget
56017 - Water & Sewer Bond 2020A	105124 - CFA- MORNINGSTAR DEV OS SS	\$0.00	This M&C	\$2,843,261.00	\$2,843,261.00

Funding is available in the Unspecified-All Funds project within the Water & Sewer Bond 2020A Fund for the purpose of funding the CFA- MORNINGSTAR DEV OS SS project.

Funding for the Community Facilities Agreement (CFA) – MORNINGSTAR DEV OS SS project as depicted in the table below:

FUND	Existing Appropriations	Additional Appropriations	Project Total*
Water & Sewer Bond 2020A - Fund 56017	\$0.00	\$2,843,261.00	\$2,843,261.00
Project Total	\$0.00	\$2,843,261.00	\$2,843,261.00

*Numbers rounded for presentation purposes.

BUSINESS EQUITY- The project is listed on the Development Services WAIVERS exception List in agreement between Development Services and Business Equity prior to the new ordinance.

This project is located in Morningstar Ranch Municipal Utility Districts (MUD) No.1 and 2 near COUNCIL DISTRICT 3.

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 Water &

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