

# Mayor and Council Communication

**DATE:** 02/27/24

**M&C FILE NUMBER:** M&C 24-0139

**LOG NAME:** 06OAK GROVE ROAD (JOEL EAST TO ENON) CHANGE ORDER 3

**SUBJECT**

(CD 8) Authorize Execution of Change Order No. 3 to City Secretary Contract No. 55443, a Community Facilities Agreement with City Participation with Carter Park East Land, LLC, Increasing Developer Participation by \$301,557.22 and Decreasing City Participation by \$15,196.20, for the Oak Grove Road between Joel East Road and Everman Parkway Project, Amend the Fiscal Years 2024-2028 Capital Improvement Program, and Adopt Appropriation Ordinance

**RECOMMENDATION:**

It is recommended that the City Council;

1. Authorize execution of Change Order No. 3 to City Secretary Contract No. 55443, a Community Facilities Agreement with City participation with Carter Park East Land, LLC, increasing developer participation by \$301,557.22 and decreasing City participation by \$15,196.20 for the Oak Grove Road between Joel East Road and Everman Parkway project (City Project No. 102802);
2. Adopt the attached appropriation ordinance adjusting receipts and appropriations in the Govt Community Facilities Agmt Fund by increasing receipts and appropriations in the Community Facilities Agreement - Oak Grove Road South project (City Project No. 102802) in the amount of \$200,000.00 and by decreasing receipts in the CFA Bucket project (City Project No. P00001) by the same amount; and
3. Amend the Fiscal Years 2024-2028 Capital Improvements Program.

**DISCUSSION:**

On December 15, 2020, the City Council approved M&C 20-0928, which authorized a revised scope for the project and authorized a Community Facilities Agreement (CFA) with City participation with Rob Riner Companies GP, LLC to construct the roadway as a four-lane divided roadway with a two-way turn lane and two, ten-foot shared paths, consistent with the City's Master Thoroughfare Plan. The project is currently being funded through the City of Fort Worth's 2018 Bond Program and developer funds (City Project No.102802). On March 26, 2021, the City executed a consent to assignment of the CFA from Rob Riner Companies GP, LLC to Carter Park East Land, LLC.

On February 14, 2023, (M&C 23-0099), the City Council authorized Change Order No. 1 to increase the developer participation in the project by \$180,197.96 due to franchise utility relocations not being completed in the anticipated amount of time, delaying the public improvements 145 days. The change order costs included demobilization, remobilization, and cost escalations of materials during the delay.

On August 2, 2023 Change Order No. 2, which increased the developer participation and City participation was administratively approved in the amount of \$92,744.41. Change Order No. 2 was necessary due to changes in the concrete pavement section in areas where the subgrade conflicted with the storm drain box culvert.

Change Order No. 3 is necessary due to conflicts between the proposed storm drain and existing waterline, and for a paving scope change due to delayed schedule for an adjacent Oak Grove Road project with City participation. Change Order No. 3 will increase the developer participation by \$301,557.22 and will decrease the City participation by \$15,196.20. The additional City funding in Change Order No. 2 was an oversight and will be included in Developer's cost with Change Order No. 3. An additional 129 working days are included with this change order.

There is no additional City participation proposed within this Change Order.

The following table summarizes previous contract action and change orders:

M&C	Developer's Cost	City's Cost	Total Cost	Number	Date
Initial Contract CS55443	\$4,405,459.04	\$1,200,000.00	\$5,605,459.04	M&C 20-0928	December 15, 2020
Change Order 1	\$180,197.95	\$0.00	\$180,197.95	M&C 23-0099	February 14, 2023
Change Order 2	\$77,548.21	\$15,196.20	\$92,744.41	Administrative	August 2, 2023

Change Order 3	\$301,557.22	(\$15,196.20)	\$286,361.02	This M&C	
<b>Contract Total</b>	<b>\$4,964,762.42</b>	<b>\$1,200,000.00</b>	<b>\$6,164,762.42</b>		

Funding is available in the CFA Bucket programmable project within the Govt Community Facilities Agmt fund for the purpose of adding gap funding to the Oak Grove Road between Joel East Road and Everman Parkway project. This funding aims to cover inspection services expenses and ensure that the project does not face a shortage of funds due to delays on the project, inspection costs have increased, and the estimated fees paid by the developer are not enough to cover the increased costs. The appropriation ordinance is a temporary measure to provide interim funding for inspection costs until the project is complete. The developer is contractually obligated to pay these costs to the City when the project is closed out. To address these expenses that surpass the developer's contribution rates, the staff suggests allocating \$200,000.00 as gap funding.

Funding for the Oak Grove Road between Joel East Road and Everman Parkway project is depicted below:

<b>Fund</b>	<b>Existing Appropriations</b>	<b>Additional Appropriations</b>	<b>Project Total</b>
2018 Bond Program - Fund 34018	\$1,200,000.00	\$0	\$1,200,000.00
Transportation Impact Fee Cap – Fund 30108	\$200,000.00	\$0	\$200,000.00
CFA Developer – Fund 30114	\$67,029.00	\$0	\$67,029.00
Govt Community Facilities Agmt - Fund 30111	\$0	\$200,000.00	\$200,000.00
<b>Project Total</b>	<b>\$1,467,029.00</b>	<b>\$200,000.00</b>	<b>\$1,667,029.00</b>

DVIN does not set a Business Equity goal for developer portions of Community Facilities Agreements on Change Orders and/or Amendments.

The project is located in COUNCIL DISTRICT 8.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies upon approval of the above recommendation and adoption of the attached appropriation ordinances, funds will be available in the CFA Bucket programmable project within the Govt Community Facilities Agmt Fund for the Oak Grove Road South project. Prior to an expenditure being incurred, the Transportation & Public Works Department has the responsibility of verifying the availability of funds.

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