

# Mayor and Council Communication

**DATE:** 08/13/24

**M&C FILE NUMBER:** M&C 24-0678

**LOG NAME:** 60RATIFY EMER 30-INCOLLIER WMREPAIR - CIRCLEC - FNI

**SUBJECT**

(CD 9) Ratify Emergency Contracts with William J. Schultz, Inc. dba Circle C Construction Company and Freese and Nichols, Inc. in the Final Amounts of \$836,247.05 and \$46,585.00, Respectively, for Emergency Water and Sanitary Sewer Main Replacement Work on the 30-inch Emergency Water Main Repair at the Lancaster Avenue/Collier Street Intersection 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. Ratify City Secretary Contract No. 60033, an emergency agreement with William J. Schultz, Inc. dba Circle C Construction Company in the amount of \$836,247.05 and City Secretary Contract No. 59999, an emergency agreement with Freese and Nichols, Inc. in the amount of \$46,585.00, both for the 30-in. emergency water main repair at the Lancaster Avenue/Collier Street Intersection; and
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water & Sewer Capital Projects Fund in the total amount of \$882,833.00, transferred from available PayGo funds within the Water and Sewer Fund for the purpose of funding the 30-in. Emergency Water Main Repair at the Lancaster Avenue/Collier Street Intersection project (City Project No. 105063) and to effect a portion of Water's contribution to the Fiscal Years 2024 -2028 Capital Improvement Program.

**DISCUSSION:**

On September 26, 2023, Mayor and Council Communication (M&C 23-0827), the City Council authorized appropriations in the amount of \$1,060,000.00 for emergency repair and replacement of the 30-inch water main at the Lancaster Avenue/Collier Street intersection.

On Thursday, August 17, 2023, a water main break erupted at the Lancaster Avenue/Collier Street intersection. The break is exacerbated by its proximity to the Holly Water Treatment Plant with water being pushed at over 100 Pounds per Square Inch (PSI) leading to flooding in the Lancaster Ave./Henderson St. intersection and also onto private property near the intersection. The water main is a shallow 1930s-era 30-inch cast-iron pipe which had deteriorated. The break was repaired the same day by William J. Schultz, Inc. dba Circle C Construction Company (Circle C). On Monday, August 22, 2023, the same water main broke apart again very near the vicinity of the earlier break. Water Field Operations immediately mobilized to isolate the break and the City utilized the services of Circle C again to conduct the repairs.

With the original pipe having broken twice, under an emergency authorization memorandum of August 24, 2023, William J. Schultz, Inc. dba Circle C Construction Company (Circle C) was engaged for the replacement of the water main (City Secretary Contract No. 60033) with emergency engineering/design performed by Freese and Nichols, Inc. (FNI) under City Secretary Contract No. 59999. Contract 60033 was subsequently revised by one change order that provided for increased and additional work scope. The total cost for both of these contracts was \$882,832.05, which is fair and reasonable for the work performed. Upon ratification of these contracts, staff will close them out.

Section 252.022 of the Local Government Code exempts from normal bidding requirements that are necessary to preserve or protect public health or safety of the municipality's residents and procurements that are necessary because of unforeseen damage to public machinery, equipment or property.

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 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:

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Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2024 Budget
Fund 56002 - W&S Capital Projects	Emrgncy 30 WM Rep. Collier St	\$0.00	This M&C	\$882,833.00	\$882,833.00

Funding is budgeted in the Transfer to Water/Sewer account of the Water operating budget for the purpose of funding the Emrgncy 30 WM Rep. Collier St Project within the Water & Sewer Capital Project Fund.

**FY2024 – Water PAYGO Appropriations per City Ordinance 26453-09-2023**

<b>FY2024 Original Adopted PayGo</b>	<b>FY2024 Amended PayGo (Includes any council actions subsequent to budget adoption)</b>	<b>YTD PayGo Approved for/Moved to Capital Projects</b>	<b>This M&amp;C</b>	<b>FY2024 Remaining PayGo Balance</b>
<b>\$84,505,035.00</b>	<b>\$84,505,035.00</b>	<b>\$(74,712,388.38)</b>	<b>\$(882,833.00)</b>	<b>\$8,909,813.62</b>

Note: there may be other pending actions or recently approved actions that are not reflected in the table due to timing.

Appropriations for emergency repair contracts 59999 and 60033 in project Emrgncy 30 WM Rep. Collier St are depicted below:

<b>Fund</b>	<b>Existing Appropriations</b>	<b>Additional Appropriations</b>	<b>Project Total*</b>
W&S Capital Projects - Fund 56002	\$0.00	\$882,833.00	\$882,833.00
<b>Project Total</b>	<b>\$0.00</b>	<b>\$882,833.00</b>	<b>\$882,833.00</b>

\*Numbers rounded for presentation purposes.

This project was located in COUNCIL DISTRICT 9.

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 Water & Sewer Fund and upon approval of the above recommendation and adoption of the attached appropriation ordinance, funds will be available in the W&S Capital Projects Fund for the Emrgncy 30 WM Rep.Collier St Project. Prior to an expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

**Submitted for City Manager's Office by:** Fernando Costa 6122

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