

Mayor and Council Communication

DATE: 06/08/21

M&C FILE NUMBER: M&C 21-0374

LOG NAME: 60RHWTPSCRUBBEREVALUATION – CAROLLO

SUBJECT

(CD 8) Authorize an Engineering Agreement with Carollo Engineers, Inc., in the Amount of \$155,200.00 for the Evaluation of the Rolling Hills Water Treatment Plant Chlorine Scrubber System Project, Provide for Additional Project Costs for a Project Total in the Amount of \$190,000.00, Adopt Attached Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt, and Adopt Attached Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of an Engineering Agreement with Carollo Engineers, Inc. in the Amount of \$155,200.00 for the RH Chlorine Scrubber System project;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for the RH Chlorine Scrubber System project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water and Sewer Commercial Paper Fund by increasing appropriations in the amount of \$190,000.00 in the RH Chlorine Scrubber System Project (CPN 103127) and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount.

DISCUSSION:

The Fort Worth Water Department (FWWD) owns and operates five Water Treatment Plants (WTP). The Rolling Hills Water Treatment Plant (RHWTP) is the largest FWWD plant, currently rated at 200 million gallons per day capacity. As part of this project, engineering analysis will be performed as necessary to determine whether to replace or upgrade the existing chlorine scrubber system - which includes conceptual design and cost estimating each alternative. Carollo Engineers, Inc., proposes to perform the evaluation for the RHWTP Chlorine Scrubber System project for a fee not to exceed \$155,200.00.

Staff considers this proposed fee to be fair and reasonable for the scope of services proposed. In addition to the contract cost, \$34,800.00 is required for project management. This project will have no impact on the Water Department's operating budget when complete.

Funding for the RHWTP Chlorine Scrubber System Evaluation:

FUND	Existing Appropriations	Additional Appropriations	Project Total*
W&S Commercial Paper Fund 56020	\$0.00	\$190,000.00	\$190,000.00
Project Total	\$0.00	\$190,000.00	\$190,000.00

*Numbers rounded for presentation purposes.

Business Equity: Carollo Engineers, Inc. is in compliance with the City's BDE Ordinance by committing to seven percent SBE participation on this project. The City's SBE goal on this project is five percent.

This project is anticipated to be included in a future revenue bond issue for the Water & Sewer Fund. Available cash within the Water and Sewer portfolio and the City's portfolio along with the appropriation authority authorized under the callable Commercial Paper Program (CP) will be used to provide interim financing for this project until debt is issued. Once debt associated with this project is sold, bond proceeds will be used to reimburse the Water and Sewer portfolio and the City's portfolio in accordance with the attached Reimbursement Resolution. Under federal law, debt must be issued within approximately three years in order for these expenses to be reimbursable. Adoption of the attached resolution does not obligate the City to sell bonds, but preserves the ability to reimburse itself from tax-exempt bond proceeds.

This project is located in COUNCIL DISTRICT 8 and serves other COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the W&S Commercial Paper Fund for the RH Chlorine Scrubber System Project to support the execution of the engineering contract. Prior to an expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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