

# Mayor and Council Communication

**DATE:** 11/09/21

**M&C FILE NUMBER:** M&C 21-0869

**LOG NAME:** 60NHWTPFILTER-BAR

**SUBJECT**

(CD 9) Authorize Execution of a Contract with BAR Constructors, Inc. in the Amount of \$1,404,150.00 for the North Holly Water Treatment Plant Filters Modification Project, Provide for Project Costs for a Project Total in the Amount of \$1,610,736.00, 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 a contract with BAR Constructors, Inc., in the amount of \$1,404,150.00, for the North Holly Water Treatment Plant Filters Modification project;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for North Holly Water Treatment Plant Filters Modification project; and
3. Adopt the attached appropriation ordinance adjusting receipts and appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in the amount of \$1,610,736.00 for North Holly Water Treatment Plant Filters Modification project (City Project No.103049) and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount.

**DISCUSSION:**

This Mayor and Council Communication (M&C) is to authorize a construction contract with BAR Constructors, Inc. and appropriate funding for North Holly Water Treatment Plant Filters Modification project.

The project was advertised for bid on July 29, 2021 and August 6, 2021 in the *Fort Worth Star-Telegram*. On August 26, 2021 the following bids were received:

Bidder	Base Bid	Contract Time
BAR Constructors, Inc.	\$1,404,150.00	200 Calendar Days
Archer Western Construction, LLC	\$1,724,000.00	

In addition to the contract cost, \$136,378.00 is required for project management and inspections and \$70,208.00 is provided for project contingency.

Funding for the North Holly Water Treatment Plant Filters Modification project are as depicted below.

Fund	Existing Appropriations	Existing Appropriations	Project Total*
W&S Commercial Paper - Fund 56019	\$138,999.00	\$0.00	\$138,999.00
W&S Commercial Paper - Fund 56020	\$0.00	\$1,610,736.00	\$1,610,736.00
Project Total	\$138,999.00	\$1,610,736.00	\$1,749,735.00

\*Numbers rounded for presentation purposes.

This project is anticipated to be included in a future revenue bond issue for the Water and 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 of the City to reimburse itself from tax-exempt bond proceeds.

Business Equity: BAR Constructors, Inc. a certified Business Equity Firm, is in compliance with the City's Business Equity Ordinance by counting 62 percent of its self-performance services towards meeting the Business Equity goal on this project. The City's Business Equity goal on this project is five percent.

The project is located in COUNCIL DISTRICT 9.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the Unspecified-All Funds project within the W&S Commercial Paper Fund and 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 NHWTP Filter Modification project to support the approval of the above recommendation and execution of the agreement. Prior to any expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

**Submitted for City Manager's Office by:** Dana Burghdoff 8018

**Originating Business Unit Head:** Chris Harder 5020

**Additional Information Contact:** Dena Johnson 7866