

Mayor and Council Communication

DATE: 08/17/21

M&C FILE NUMBER: M&C 21-0585

LOG NAME: 60VCWRF DIGESTER MIXING-FLARE-DOME IMPROVEMENTS A1-HAZENS

SUBJECT

(CD 5) Authorize Execution of Amendment No. 1 with Hazen and Sawyer, Inc. in the Amount of \$1,336,736.00 for Additional Engineering Services Associated with the Evaluation and Design of Improvements to the Digesters at the Village Creek Water Reclamation Facility Project, 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 the execution of Amendment No. 1 in the amount of \$1,336,736.00 to City Secretary Contract No. 54683 an Engineering Agreement with Hazen and Sawyer, Inc. for the design of additional improvements to the digesters at the Village Creek Water Reclamation Facility project for a revised contract amount of \$2,256,886.00;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for the evaluation and design of the Improvements to the Digesters at the Village Creek Water Reclamation Facility; and
3. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Water and Sewer Commercial Paper Fund in the amount of \$1,396,796.00, by increasing appropriations in the Evaluation and Design of Improvements to the Digesters at the Village Creek Water Reclamation Facility (City Project No. 102652) and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount.

DISCUSSION:

On September 22, 2020, Mayor and Council Communication (M&C 20-0701), the City Council authorized an engineering agreement with Hazen and Sawyer, Inc., in the amount of \$920,150.00 for the evaluation and design of improvements to the digesters at the Village Creek Water Reclamation Facility. The evaluation phase of the project identified additional improvements that would address equipment that has reached the end of its useful life and that would allow the City of Fort Worth (City) to improve the quality of biogas for beneficial reuse.

Amendment No. 1 will allow Hazen and Sawyer to design additional improvements identified during the evaluation phase of the project. The additional improvements include new pressure relief systems at each digester, new scrubbers to remove hydrogen sulfide from biogas produced at the digesters, rehabilitation of the existing biogas compressors, replacement of the turbine gas compressors, replacement of the biogas dryers, and upgrades to the electrical systems that support the compressors, dryers, and the digesters that will receive new pumped mixing systems.

In addition to the amendment amount, \$60,000.00 is requested for additional project management.

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.

Funding for the Digester Mixing, Flare, and Dome Improvements project, are as depicted below.

Fund	Existing Appropriations	Additional Appropriations	Project Total
W&S Commercial Paper Fund - 56019	\$1,020,150.00	\$0.00	\$1,020,150.00
W&S Commercial Paper Fund - 56020	\$0.00	\$1,396,796.00	\$1,396,796.00
Project Total	\$1,020,150.00	\$1,396,796.00	\$2,416,946.00

Business Equity-Hazen and Sawyer, PC agrees to maintain its initial SBE commitment of 32 percent that it made on the original agreement and extend and maintain that same SBE commitment of 32 percent to this first amendment. Therefore Hazen and Sawyer, PC remains in compliance with the City's BDE Ordinance and attests to its commitment by its signature on the Acceptance of Previous SBE Commitment form executed by an authorized representative of its company.

The project is located in COUNCIL DISTRICT 5.

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 Digester Improvements project to support the approval of the above recommendations and execution of the amendment to the engineering agreement. Prior to any expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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