

Mayor and Council Communication

DATE: 03/29/22

M&C FILE NUMBER: M&C 22-0238

LOG NAME: 60EMWSWTPPENCL-CDM&CRESCENT

SUBJECT

(CD 3 and CD 7) Authorize Execution of Amendment No. 2 to an Engineering Agreement with CDM Smith, Inc., in the Amount of \$304,434.00, for Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures, Authorize Execution of a Contract with Crescent Constructors, Inc., in the Amount of \$7,897,000.00 for Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures, Provide for Project Costs for Project Total Amount of \$8,639,644.00, Adopt Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt, and Adopt Appropriation Ordinance to Effect a Portion of Water's Contribution to the Fiscal Years 2022-2026 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of Amendment No. 2 to City Secretary Contract No. 56087 in the amount of \$304,434.00, an engineering agreement with CDM Smith, Inc. for construction support services for Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures project for a revised contract amount of \$843,211.00;
2. Authorize the execution of a contract with Crescent Constructors, Inc., in the amount of \$7,897,000.00 for the Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures;
3. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures project; and
4. Adopt the attached appropriation ordinance adjusting receipts and appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in the Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures (City Project No.103335) in the amount of \$8,639,644.00 and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount to effect a portion of Water's contribution to the Fiscal Years 2022-2026 Capital Improvement Program.

DISCUSSION:

The February 2021 Deep Freeze caused power failures to the Eagle Mountain Water Treatment Plant (EMWTP), the Westside Water Treatment Plant (WSWTP) and affected the North and South Holly Water Treatment Plants, along with power supply and freezing issues at some pump stations. In response to the power outages, the Water Department implemented a series of projects to minimize the effects of future power failures and/or freezing temperatures on Water Facilities. In addition, the State of Texas enacted a law, Senate Bill 3 (SB3), requiring the submittal of an Emergency Preparedness Plan by March 1, 2022.

On June 22, 2021, Mayor and Council Communication (M&C) 21-0463 authorized an engineering agreement with CDM Smith, Inc., (City Secretary Contract No. 56087), in the amount of \$439,445.00 for design of the Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures. The agreement was subsequently revised by Amendment No. 1 in the amount of \$99,332.00 administratively authorized on November 23, 2021 that provided for interior drainage design, ground penetrating radar and ductbank reroute at Eagle Mountain High Service Pump Station No. 1. As part of Amendment No. 2, the engineer will perform construction support services for construction of the enclosures that includes shop drawings and submittals reviews, change order review and record drawings.

The project consists of the enclosure (in prefabricated metal buildings) of three high service pump stations and associated piping located at the Eagle Mountain (two pumps) and Westside Water Treatment (one pump) Plants.

The Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures project was advertised for bid on December 23, 2021 and December 30, 2021 in the *Fort Worth Star-Telegram*. On January 27, 2022 the following bids were received:

BIDDER	AMOUNT	TIME OF COMPLETION
Crescent Constructors, Inc.	\$7,897,000.00	400 Calendar Days
Gracon Construction, Inc.	\$8,398,239.00	
Archer Western, LLC.	\$8,805,334.25	

In addition to the contract cost, \$240,785.00 is required for project management, inspection and material testing and \$197,425.00 is provided for project contingency.

It is the practice of the Water Department to appropriate its CIP plan throughout the fiscal year 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 2022-2026 Capital Improvement Program, as follows:

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Capital Fund Name	Project Name	FY2022 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2022 Budget
56020 - W&S Commercial Paper Fund	103335 - EM & WS Weatherproof Enclosures	\$ -	This M&C	\$8,639,644.00	\$8,639,644.00

Funding for the Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures are as depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Commercial Paper Fund 56020	\$504,445.00	\$8,639,644.00	\$9,144,089.00
Project Total	\$504,445.00	\$8,639,644.00	\$9,144,089.00

*Numbers rounded for presentation purposes.

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.

Business Equity: CDM Smith, Inc. agrees to maintain its initial M/WBE commitment of eight percent that it made on the original agreement and extend and maintain that same M/WBE commitment of eight percent to all prior amendments up to and inclusive of this Amendment No. 2. Therefore CDM Smith, Inc. remains in compliance with City's M/WBE Ordinance and attests to its commitment by its signature on the Acceptance of Previous M/WBE Commitment form executed by an authorized representative of its company.

Business Equity: Crescent Constructors, Inc., is in compliance with the City's Business Equity Ordinance by committing to 6.11 percent Business Equity participation on this project. The City's Business Equity goal on this project is six percent.

The project is located in COUNCIL DISTRICT 3 and the City's Extra Territorial Jurisdiction.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the UNSPEC 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 EM & WS Weatherproof Enclosure project to support the approval of the above recommendations and execution of the amendment to agreement and contract. 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: Dana Burghdoff 8018

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