

Mayor and Council Communication

DATE: 08/22/23

M&C FILE NUMBER: M&C 23-0703

LOG NAME: 60WATER APPROPRIATION CORRECTION

SUBJECT

(CD 3, 5, 6, 7, 8 and 9) Authorize Repeal of Appropriation Ordinances 26188-05-2023 to Appropriate Funds for the Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures, 26248-06-2023 to Appropriate Funds for the Digester Improvements Project, and 26250-06-2023 to Appropriate Funds for the Westside Water Treatment Plant Generators and Emergency Preparation for Power Generation at the North and South Holly Water Treatment Plants Main Project and Adopt Replacement Ordinances to Make Technical Corrections.

RECOMMENDATION:

It is recommended that the City Council:

1. Repeal appropriation ordinances 26188-05-2023 (as adopted by M&C 23-0416), 26248-06-2023 (as adopted by M&C 23-0498), and 26250-06-2023 (as adopted by M&C 23-0500), each of which contained a technical error;
2. Adopt the attached appropriation ordinance (replacing 26188-05-2023) adjusting estimated receipts and appropriations in the Water & Sewer Revenue Bond Series 2023 Fund by increasing estimated receipts and appropriations in the Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures (City Project No. 103335) in the amount of \$99,580.00 and decreasing estimated receipts and appropriations in the Commercial Paper project (City Project No. UCMLPR) by the same amount;
3. Adopt the attached appropriation ordinance (replacing 26248-06-2023) increasing estimated receipts and appropriations in the Water & Sewer Capital Projects Fund by \$4,122,829.54, from available funds, for the purpose of funding the Digester Improvements project (City Project No. 102652); and
4. Adopt the attached appropriation ordinance (replacing 26250-06-2023) adjusting estimated receipts and appropriations in the Water & Sewer Revenue Bond Series 2023 Fund by increasing estimated receipts and appropriations in the Westside Water Treatment Plant Generators and Emergency Preparation Plan for Power Generation at the North and South Holly Water Treatment Plants Main project (City Project No. 103410) in the amount of \$24,003,460.00 and decreasing estimated receipts and appropriations in the Commercial Paper project (City Project No. UCMLPR) by the same amount.
5. To effect a portion of Water's Contribution to the Fiscal Years 2023-2027 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to repeal and replace recently adopted appropriation ordinances that contained technical errors and adopt updated appropriation ordinances to take their place. All of the errors involve the "unspecified" project, which had been recently replaced at the time the M&Cs in question were approved.

M&C 23-0416/Ordinance 26188-05-2023

On May 23, 2023, the City Council approved M&C 23-0416, which included ordinance 26188-05-2023, associated with Recommendation #2.

The ordinance referred to decreasing receipts and appropriations in "the Unspecified-All Funds project (City Project No. UNSPEC)" to offset a \$99,580.00 increase in receipts in appropriations in the Eagle Mountain and Westside Water Treatment Plants Weatherproof Enclosures project (City Project No. 103335). That reference should have been to a reduction in the Commercial Paper project (City Project No. UCMLPR) instead of the Unspecified project (City Project No. UNSPEC). Repeal of ordinance 26188-05-2023 and adoption of the ordinance associated with recommendation #2 will correct this error.

The project is located in COUNCIL DISTRICTS 3 & 7 and the City's Extra Territorial Jurisdiction.

M&C 23-0498/Ordinance 26248-06-2023

On June 13, 2023, the City Council approved M&C 23-0498, which included ordinance 26248-06-2023, associated with Recommendation #7.

That recommendation and the associated ordinance indicated a \$4,122,829.54 increase in the Digester Improvements project (City Project No. 102652) of the Water & Sewer Capital Projects Fund was being offset by a decrease in "the Unspecified-All Funds project (City Project No. UNSPEC)."

In fact, the intent had been to use available funds in the Unspecified -All Funds project (City Project No. UNSPEC), thereby increasing the Fund's total appropriation rather than "adjusting" amounts between previously appropriated projects. Approval of this M&C and adoption of the ordinance associated with recommendation #3 will enact the appropriation that was originally intended.

This project is located in COUNCIL DISTRICT 5.

M&C 23-0500/Ordinance 26250-06-2023

On June 13, 2023, the City Council approved M&C 23-0500, which included ordinance 26250-06-2023, associated with Recommendation #4.

That recommendation and associated ordinance, indicated that a \$24,003,460.00 increase in the Westside Water Treatment Plant Generators and Emergency Preparation Plan for Power Generation at the North and South Holly Water Treatment Plants Main project (City Project No. 103410) in the Water & Sewer Revenue Bonds Series 2023 Fund was to be offset by a decrease “in the Unspecified-All Funds project (City Project No. UNSPEC)”. That reference should have been a reduction in the Commercial Paper project (City Project No. UCMLPR) instead of the Unspecified Project (City Project No. UNSPEC). Repeal of ordinance 26250-06-2023 and adoption of the ordinance associated with recommendation #4 will correct this error.

The project is located in COUNCIL DISTRICTS 3, 6, 8 and 9.

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 2023-2027 Capital Improvement Program, as follows:

Capital Fund Name	Project Name	FY2023 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2023 Budget
56021 – W&S Rev Bond Series 2023	103335 - EM & WS Weatherproof Enclosures	\$0.00	This M&C	\$99,580.00	\$99,580.00

Funding is currently available in the Commercial Paper project within the Water & Sewer Bond Series 2023 fund for the purpose of funding the Eagle Mountain & Westside Weatherproof Enclosures project.

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 Capital Projects - Fund 56002	\$129,724.00	\$0.00	\$129,724.00
W&S Rev Bonds Series 2022 - Fund 56020	\$9,144,089.00	\$0.00	\$9,144,089.00
W&S Rev. Bond Series 2023 – Fund 56021	\$0.00	\$99,580.00	\$99,580.00
Project Total	\$9,273,813.00	\$99,580.00	\$9,373,393.00

*Numbers rounded for presentation purposes.

Capital Fund Name	Project Name	FY2023 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2023 Budget
W&S Capital Projects - Fund 56002	102652 – Digester Improvements	\$0.00	This M&C	\$4,122,829.54	\$4,122,829.54

Appropriations for Digester Improvements project are as depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
Water/Sewer Gas Lease Cap Project – Fund 53004	\$16,763,858.00	\$0.00	\$16,763,858.00
W&S Capital Projects - Fund 56002	\$0.00	\$4,122,829.54	\$4,122,829.54
W&S Rev Bonds Series 2021 – Fund 56019	\$1,020,150.00	\$0.00	\$1,020,150.00
W&S Rev Bonds Series 2022 – Fund 56020	\$2,218,432.00	\$0.00	\$2,218,432.00
W&S Rev Bonds Series 2023 – Fund 56021	\$25,000,000.00	\$0.00	\$25,000,000.00
Sewer Capital Legacy – Fund 59607	\$1,284,942.08		\$1,284,942.08
Project Total	\$46,287,382.08	\$4,122,829.54	\$50,410,211.62

Funding is currently available in the Unspecified-All Funds project within the Water & Sewer Capital Projects Fund for the purpose of funding the Digester Improvements project.

*Numbers rounded for presentation purposes.

Capital Fund Name	Project Name	FY2023 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2023 Budget
W&S Rev Bonds Series 2023 - Fund 56021	103410 - WS Gen & Emer Prep Plan	\$0.00	This M&C	\$24,003,460.00	\$24,003,460.00

Funding is currently available in the Commercial Paper project within the Water & Sewer Revenue Bonds Series 2023 Fund for the purpose of funding the Westside Generator and Emergency Preparation Plan project.

Funding for the project is depicted below:

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Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Project Fund 56002	\$12,814,614.00	\$0.00	\$12,814,614.00
W&S Rev Bonds Series 2022 - Fund 56020	\$3,792,978.00	\$0.00	\$3,792,978.00
W&S Rev Bonds Series 2023 - Fund 56021	\$1,945,967.00	\$24,003,460.00	\$25,949,327.00
Project Total	\$18,553,559.00	\$24,003,460.00	\$42,557,019.00

*Numbers rounded for presentation purposes.

The project is located in Council Districts 3, 5, 6, 7, 8 and 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 Commercial Paper project within the W&S Rev Bonds Series 2023 Fund and in the Unspecified-All Funds project within the Water & Sewer Capital Projects Fund, and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the W&S Rev Bonds Series 2023 Fund for the EM & WS Weatherproof Enclosure project and the WS Gen & Emer Prep Plan project and funds will be available in the W&S Capital Projects Fund for the referenced projects. Prior to any expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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Expedited