

Mayor and Council Communication

DATE: 08/03/21

M&C FILE NUMBER: M&C 21-0537

LOG NAME: 60NSIISH17030INWLP3-CPY&MOUNTAINC

SUBJECT

(CD 7) Authorize Execution of Amendment No. 5 in the Amount of \$178,980.00 to an Engineering Agreement with CP&Y, Inc. for the Northside II Water Main Along State Highway 170 Project, Authorize Execution of a Contract with Mountain Cascade of Texas LLC, in the Amount of \$4,788,432.00 for the Northside II Water Main Along State Highway 170, 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 Amendment No. 5 to City Secretary Contract No. 48423, and engineering agreement with CP&Y, Inc. in the amount of \$178,980.00 for the Northside II Water Main Along State Highway 170 project for a revised contract amount of \$964,483.36;
2. Authorize execution of a contract with Mountain Cascade of Texas LLC, in the amount of \$4,788,432.00 for Northeast Northside II 30-inch Water Transmission Main Along State Highway 170 - Part 3;
3. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for the Northside II Water Main Along State Highway 10 project; and
4. Adopt attached appropriation ordinance adjusting appropriations in the Water and Sewer Commercial Paper Fund in the amount of \$5,398,659.00 by increasing appropriations in the Northside II Water Main Along State Highway 170 - Part 3 project (City Project No. 100261), and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount.

DISCUSSION:

On November 8, 2016, Mayor and Council Communication (M&C C-27985), the City Council authorized the execution of an Engineering Agreement with CP&Y, Inc., (City Secretary No. 48423) in the amount of \$456,340.00 for the preparation of plans and specifications for the Northeast Northside II 30-inch Water Transmission Main. The agreement was subsequently revised by Amendment No. 1 in the amount of \$13,098.36 administratively authorized July 3, 2017 that provided for additional design on the project. On April 7, 2020, Mayor and Council Communication (M&C 20-0168), the City Council adopted an appropriation ordinance in the Water and Sewer Capital Projects Fund for the amount \$2,264,435.00 and authorized the execution of Amendment No. 2 in the amount of \$168,985.00 for the Northeast Northside II Water Main along SH 170 from 0.5 miles east of IH 35W to Trophy Club Lake Drive to accommodate the Texas Department of Transportation's construction of the SH 170 four mai lanes and associated improvements which require relocation of four water mains at Beach Street, Alta Vista Road, Westport Parkway and Independence Parkway. Amendment No. 3 in the amount of \$99,815.00 was administratively authorized November 13, 2020 and provided additional design services for the necessary relocations at the four conflict locations and Amendment No. 4 in the amount of \$47,265.00, authorized by M&C 21-0375 provided for additional construction services for Part 2 of the project and additional easement.

In accordance with the terms of a Utility Agreement between TXDOT and the City, TXDOT will reimburse the City of all costs incurred with the relocation of the Beach Street crossing because the water main was installed in an easement. The relocation of the water main conflict at Beach Street is currently underway (CSC 54748). Amendment No. 5 provides for additional services for the relocation of the conflicts at the SH 170 and Alta Vista Road, Westport Parkway and Independence Parkway intersections.

Construction of the project was advertised for bid on February 25, 2021 and March 4, 2021 in the *Fort Worth Star-Telegram*. On April 8, 2021 the following bids were received:

Bidder	Amount	Time of Completion
Mountain Cascade of Texas LLC	\$4,788,432.00	250 Calendar Days
SJ Louis Construction of Texas, Ltd.	\$5,100,771.22	
William J. Schultz Inc. dba Circle C Construction Company	\$5,207,380.00	

In addition to the contract cost, \$287,594.00 is required for project management, inspection and material testing and \$143,653.00 is provided for project contingency.

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.

Appropriations for the Northeast Northside II 30-inch Water Transmission Main Along SH170 from North Beach Street to US 377 project are as depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Projects - Fund 56002	\$2,887,171.00	\$0.00	\$2,887,171.00
W&S Commercial Paper - Fund 56020	\$0.00	\$5,398,659.00	\$5,398,659.00
Water Capital - Fund 59601	\$7,455,480.00	\$0.00	\$7,455,480.00
Project Total	\$10,342,651.00	\$5,398,659.00	\$15,741,310.00

*Numbers rounded for presentation.

This project will have no impact on the Water Department's operating budget when completed.

Business Equity: Mountain Cascade of Texas, is in compliance with the City's Business Equity Ordinance by committing to two percent Business Equity participation and documenting good faith effort. Mountain Cascade of Texas identified several subcontracting and supplier opportunities. However, the firms contacted in the areas identified did not respond. The City's Business Equity goal on this project is 19 percent.

Business Equity: CP&Y, Inc, a waiver of the goal for Business Equity subcontracting requirements was requested, and approved by the DVIN, in accordance with the applicable Ordinance, because the purchase of goods or service is from sources where subcontracting or supplier opportunities are negligible.

The project is located in COUNCIL DISTRICT 7.

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 NSII Water Main Along SH170 project to support the approval of the above recommendation 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.

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