

# Mayor and Council Communication

**DATE:** 10/31/23

**M&C FILE NUMBER:** M&C 23-0916

**LOG NAME:** 6021WMLEAKREPAIR3-CIRCLEC

**SUBJECT**

(ALL) Adopt Appropriation Ordinance in the Amount of \$900,000.00 to Fund the Third and Final Renewal of a Contract with William J. Schultz, Inc. d/b/a Circle C Construction Company for the 2021 Water Main Leak Repair Contract and to Effect a Portion of Water’s Contribution to the Fiscal Years 2024-2028 Capital Improvement Program

**RECOMMENDATION:**

It is recommended that the City Council adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$900,000.00, from available funds within the Water & Sewer Fund, for the purpose of funding of the 2021 Water Main Leak Repair Contract (City Project No. 103327) and to effect a portion of Water’s Contribution to the Fiscal Years 2024-2028 Capital Improvement Program.

**DISCUSSION:**

On November 9, 2021, Mayor and Council Communication (M&C) 21-0867 the City Council authorized execution of a contract in the amount of \$750,000.00, with William J. Schultz, Inc. d/b/a Circle C Construction Company for the 2021 Water Main Leak Repair Contract (City Secretary Contract No. 56896) and provided for the option of three renewals.

On August 9, 2022, M&C 22-0589, the City Council authorized funding for the first renewal in the contract amount of \$750,000.00.

On April 25, 2023, M&C 23-0336, the City Council authorized funding for the second renewal in the contract amount of \$750,000.00.

The City and the Contractor desire to exercise the third and final renewal of the contract in the amount of \$750,000.00.

The work to be performed under this contract consists of repairing water mains as leaks in the system are found. This contract is necessary to maintain quality water service by augmenting Water Field Operations’ efforts in repairing water main leaks in the water system in a timely manner. In addition to the contract renewal amount, \$150,000.00 is required for project management, material testing and inspection. This project will have no impact on the Water Department’s operating budget when completed.

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 2024-2028 Capital Improvement Program, as follows:

**6021WMLEAKREPAIR3-CIRCLEC**

Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2024 Budget
56002 – W&S Capital Projects Fund	103327 – Water Main Leak Repair Cntrct	\$0.00	This M&C	\$900,000.00	\$900,000.00

Funding is budgeted in the Transfer to Water/Sewer account of the Water and Sewer operating budget for the purpose of funding the Water Main Leak Repair Contract within the Water & Sewer Capital Projects Fund.

Appropriations for Water Main Leak Repair Contract are as depicted below:

FUND	Existing Appropriations	Additional Appropriations	Project Total*
Water Capital Fund 56002	\$2,700,000.00	\$900,000.00	\$3,600,000.00
<b>Project Total</b>	<b>\$2,700,000.00</b>	<b>\$900,000.00</b>	<b>\$3,600,000.00</b>

\*Numbers rounded for presentation purposes.

This project is located in ALL COUNCIL DISTRICTS.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the Water & Sewer Fund, and upon approval of the above recommendation and adoption of the attached appropriation ordinance, funds will be available in the W&S Capital Projects Fund for Water Main Leak Repair Cntrct project to support the above recommendation and execution of the contract renewal. Prior to any expenditures being incurred, the Water Department has the responsibility to validate the availability of funds.

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

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