

Mayor and Council Communication

DATE: 04/25/23

M&C FILE NUMBER: M&C 23-0314

LOG NAME: 202022 BOND YEAR 1 CONTRACT 1-MCCLENDON

SUBJECT

(CD 8 / Future CD 11) Authorize Execution of a Contract with McClendon Construction Company, Inc., in the Amount of \$8,894,386.00, for Combined Street Paving Improvements, Water, Sanitary Sewer, and Storm Drain System Replacements for 2022 Bond Year 1 - Contract 1 Project, Adopt Appropriation Ordinances to Effect a Portion of Water’s Contribution to Fiscal Years 2023-2027 Capital Improvement Program and Amend the Fiscal Years 2023-2027 Capital Improvement Program (2022 Bond Program)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a contract with McClendon Construction Company, Inc., in the amount of \$8,894,386.00, for combined street paving improvements, stormwater improvements, and water and sanitary sewer main replacements for the 2022 Bond Year 1- Contract 1 project (City Project No. 102918);
2. Adopt the attached appropriation ordinance increasing receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$5,389,680.00, transferred from available funds within the Water and Sewer Fund, for the purpose of funding the 2022 Bond Year 1 Contract 1 project (City Project No. 102918) to effect a portion of Water’s Contribution to the Fiscal Years 2023-2027 Capital Improvement Program;
3. Adopt the attached appropriation ordinance adjusting appropriations in the 2022 Bond Program Fund by increasing appropriations in the 2022 Bond Year 1- Contract 1 project (City Project No. 102918) in an amount of \$4,058,295.00 and decreasing appropriations in the Street Improvement-Deteriorating Streets programmable project (City Project No. PB0019) by the same amount;
4. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Stormwater Capital Projects fund by increasing estimated receipts and appropriations in the 2022 Bond Year 1 - Contract 1 project (City Project No. 102918) in the amount of \$895,520.00 and decreasing estimated receipts and appropriations in the Drainage Improvements programmable project (City Project No.P00043) by the same amount; and
5. Amend the Fiscal Years 2023-2027 Capital Improvement Program.

DISCUSSION:

This Mayor and Council Communication (M&C) is to authorize a construction contract for Year 1 Neighborhood Streets Improvements project associated with the 2022 Bond Program. For 2022 Bond Year 1- Contract 1 project, this includes water, sanitary sewer, stormdrain and street paving improvements on approximately 2.77 lane miles, on the following streets:

Street	From	To	Scope
Arden Place	Somerset Drive	Rand Street	Water/Paving
Bradley Avenue	Panola Avenue	Hampshire Boulevard	Water/Sewer/Paving
Edgewood Terrace, S.	E. Lancaster Avenue	Judy Lane	Water/Paving
Forby Avenue	E. Lancaster Avenue	Panola Avenue	Water/Paving
Judy Lane	Lloyd Avenue	S. Edgewood Terrance	Water/Sewer/Stormdrain/Paving
Virginia Lane	Rand Street	E. Dead End	Water/ Sewer/ Paving
S Perkins Street*	E Lancaster Avenue	Panola Avenue	Water/Paving
Panola Avenue*	Ayers Avenue	S. Perkins Street	Water
Vinson Street	Bradley Street	Griggs Avenue	Water/Sewer
S. Edgewood Terrace	Judy Lane	Vinson Street	Stromdrain

*Due to the close proximity to the 2022 Bond Year 1 Contract 1 project streets above, the Water Department has requested for water main extensions on these streets in order to loop the water system and provide increased efficiency. Asphalt paving rehabilitation will be conducted on

the roadway subsequent to water main installation.

The project was advertised for bid on January 26, 2023, and February 2, 2023, in the *Fort Worth Star-Telegram*. On February 23, 2023, the following bids were received:

Bidder	Base Bid (Concrete Paving) Amount	Alternate A (Asphalt paving) Amount	Time of Completion
McClendon Construction Co., Inc.	\$8,894,386.00	\$8,841,743.00	430 Calendar Days
FNH Construction, LLC	\$9,800,381.00	\$9,360,776.00	
Stabile & Winn, Inc.	\$9,850,488.00	\$9,851,072.50	
Jackson Construction, Ltd.	\$11,606,247.50	\$10,994,727.10	
Reyes Group, Ltd.	\$17,531,207.00	\$16,479,509.08	

In an attempt to secure alternate bids, staff advertised the project with Base Bid as concrete bid to reconstruct existing streets included in the Bond with concrete travel lanes, and Alternative A as Rehabilitation of existing roadway with new asphalt and replacement of damaged curb and gutter. Staff recommends award of the contract for Base Bid (concrete Option). Concrete paving typically has a twenty-year life span while asphalt paving has a ten years span. In addition, the maintenance cost of concrete pavement is less than asphalt pavement.

The Transportation & Public Works Department's share on this contract is \$4,245,101.00 (Paving: \$3,486,186.00; Stormwater: \$758,915.00). The paving funds for this project are included in the 2022 Bond Program. The Water Department's share on this contract is \$4,649,285.00 and will be available in the Water & Sewer Capital Projects Fund for the project (City Project No. 102918). In addition to the contract amount, \$984,915.00 (Water: \$368,632.00, Sewer: \$119,823.00, Stormwater \$98,660.00, Paving: \$397,800.00) is required for project management, material testing, and inspection, and \$464,194.00 (Water: \$183,775.00, Sewer: \$68,165.00, Stormwater: \$37,945.00 Paving: \$174,309.00) is provided for project contingencies.

This project will have no impact on the Transportation & Public Works' or on the Water Departments' operating budgets when completed. The sanitary sewer component of this project is part of the Water Department's Sanitary Sewer Overflow Initiative Program. Approximately 4,974 linear feet of cast iron water pipe will be removed and replaced as part of this project. The storm drain component of this project will relocate a portion of the existing storm drain system, which is in need of rehabilitation, into public right-of way, to ensure continued drainage system performance and improve future maintenance of the system.

The action in this M&C will amend TPW's contribution to the Fiscal Years 2023-2027 Capital Improvement Program as follows:

Capital Fund Name	Project Name	FY2023 CIP Appropriations	Budget Change Increase/Decrease	Revised FY2023 Budget
2022 Bond Program-Fund 34027	Street Imprv-Deteriorating Sts-PB0019	\$48,559,221.00	\$(4,058,295.00)	\$44,500,926.00

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:

2022 Bond Year 1 Contract 1-MCCLENDON

Capital Fund Name	Project Name	FY2023 CIP Appropriations	Authority	Budget Change Increase/Decrease	Revised FY2023 Budget
W&S Capital Projects-Fund 56002	102918-2022 Bond Year 1 Contract 1		This M&C	\$5,389,680.00	\$5,389,680.00
Stormwater Capital Projects-Fund 52002	102918-2022 Bond Year 1 Contract 1		This M&C	\$895,520.00	\$895,520.00
2022 Bond Program-Fund	102918-2022 Bond Year 1		This M&C	\$4,058,295.00	\$4,058,295.00

Funding is budgeted in the Transfer to Water/Sewer account of the Water and Sewer operating budget for the purpose of funding the 2022 Bond Year 1 - Contract 1 project within the Water & Sewer Capital Projects Fund.

Appropriations for the water, sanitary sewer, Stormwater and paving improvements for 2022 Bond Year 1- Contract 1 project by Fund will consist of the following:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
2022 Bond Program-Fund 34027	\$0.00	\$4,058,295.00	\$4,058,295.00
W&S Capital Projects-Fund 56002	\$349,203.00	\$5,389,680.00	\$5,738,883.00
Stormwater Capital Projects-Fund 52002	\$37,000.00	\$895,520.00	\$932,520.00
Street Imprvmt COs Residuals-Fund 39412	\$344,224.19	\$0.00	\$344,224.19
Project Total	\$730,427.19	\$10,343,495.00	\$11,073,942.19

*Numbers rounded for presentation purposes.

Business Equity: McClendon Construction Co., Inc. is in compliance with the City's Business Equity Ordinance by committing to 15% Business Equity participation on this project. The City's Business Equity goal on this project is 15%.

This project is included in the 2022 Bond Program. The City's Extendable Commercial Paper (ECP) (M&C 22-0607; Ordinance 25675-08-2022) provides liquidity to support the appropriation. Available resources will be used to actually make any interim progress payments until debt is issued. Once debt associated with a project is sold, debt proceeds will reimburse the interim financing source in accordance with the statement expressing official Intent to Reimburse that was adopted as part of the ordinance canvassing the bond election (Ordinance 25515-05-2022).

This project is located in COUNCIL DISTRICT 8 and FUTURE COUNCIL DISTRICT 11.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget of the Water & Sewer Fund and upon the approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the current capital budgets, as appropriated, in the W&S Capital Projects, Stormwater Capital Projects and 2022 Bond Program Funds for the 2022 Bond Yr 1-Contract 1 project to support the approval of the above recommendations and execution of the construction contract. Prior to any expenditure being incurred, the Transportation & Public Works and Water Departments have the responsibility of verifying the availability of funds.

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