

City of Fort Worth, Texas

# Mayor and Council Communication

DATE: 03/19/24 M&C FILE NUMBER: M&C 24-0225

LOG NAME: 60ROCK CREEK RANCH LIFT STATION FORCE MAIN CFA

SUBJECT

(CD 6) Authorize Execution of a Community Facilities Agreement with D.R. HORTON-TEXAS, LTD., with City Participation in an Amount Up to \$7,901,164.69 for Oversizing the Rock Creek Ranch Lift Station and Oversizing a 24-Inch Parallel Sanitary Sewer Force Main Located in Southwest Fort Worth, and Adopt Appropriation Ordinances 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:

1. Authorize the execution of a Community Facilities Agreement with D.R HORTON-TEXAS, LTD., with City participation in the amount up to \$7,901,164.69 for oversizing the Rock Creek Ranch lift station and oversizing a 24-inch force main located in southwest Fort Worth;
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Community Facilities Agreements Fund in the amount of \$2,340,000.00, from available funds, for the purpose of funding the Community Facilities Agreements Bucket programmable project (City Project No. P00001) to fund the CFA-Rock Creek Ranch Lift Station project (City Project No. 105040);
3. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Water and Sewer Capital Project 2018 Fund by increasing estimated receipts and appropriations in the Community Facilities Agreement Bucket programmable project (City Project No. P00001) in the amount of \$900,000.00 and decreasing estimated receipts and appropriations in the Unspecified-All Funds project (City Project No. UNSPEC) by the same amount for the purpose of funding the Community Facilities Agreement – CFA Rock Creek Ranch lift station project (City Project No.105040); and
4. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Water and Sewer Capital Project 2019 Fund by increasing estimated receipts and appropriations in the Community Facilities Agreement Bucket programmable project (City Project No. P00001) in the amount of \$6,193,875.00 and decreasing estimated receipts and appropriations in the Unspecified-All Funds project (City Project No. UNSPEC) by the same amount for the purpose of funding the Community Facilities Agreement- CFA Rock Creek Ranch lift station project (City Project No. 105040) and to effect a portion of Water's contribution to Fiscal Years 2024-2028 Capital Improvement Program.

DISCUSSION:

D.R HORTON-TEXAS, LTD., (Developer) is constructing sewer improvements in connection with the Rock Creek Ranch Phase 2 development project located west of Chisholm Trail Parkway and north of Farm to Market 1187. These sewer improvements will provide missing capacity for Public Improvement District No. 17 – Rock Creek Ranch (the PID) in accordance with Fort Worth City Secretary Contract No. 59409 and additional capacity for denser development than was envisioned when the PID was originally established. The City is participating in the project to oversize the lift station and oversize approximately 14,164 linear feet of 24-inch parallel force sewer main for the City's long-term service planning area outside the PID. The construction cost for the lift station is estimated to be allocated at 50% for the Developer and 50% for the City and the force main is estimated to be allocated at 27% for the Developer and 73% for the City. The Rock Creek Ranch lift station and force main project is assigned City Project No. 105040 and Accela System Record IPRC23-0120.

The project has been publicly bid. The City's cost participation in oversizing the lift station and sewer main is estimated to be in an amount not to exceed \$7,901,164.69 as shown in the table below. Payments to the Developer are estimated to be \$7,663,551.33 for construction costs, \$3,792.60 for Infrastructure Plan Review Center (IPRC) fees, \$384.78 for public bid advertisement, and \$153,271.03 for material testing costs. The City's cost participation also includes \$80,164.95 to cover the City's portion of construction inspection service fees and administrative material testing fees. An additional \$1,532,710.27 in contingency funds will cover the City's portion of any change orders.

The following table shows the cost-sharing breakdown for the project between all parties:

A. Public Improvements	Developer Cost	City Cost	Total Cost
1. Sewer- Force Main (27%/73%)	\$1,604,906.84	\$4,339,192.56	\$5,944,099.40
2. Sewer- Lift Station (50%/50%)	\$3,324,358.78	\$3,324,358.77	\$6,648,717.55
Total Sewer Improvements	\$4,929,265.62	\$7,663,551.33	\$12,592,816.95
Water Contingency	\$0.00	\$1,532,710.27	\$1,532,710.27
B. Inspections & Testing			
1. Construction Inspection Fee	\$27,864.00	\$75,336.00	\$103,200.00
2. Admin Material Testing Fee	\$1,786.05	\$4,828.95	\$6,615.00
3. Material Testing Cost	\$0.00	\$153,271.03	\$153,271.03

4. Water Lab Fee	\$0.00	\$0.00	\$0.00
5. IPRC Plan Rev Fees	\$15,170.40	\$3,792.60	\$18,963.00
6. Public Bidding Advertisement	\$1,539.12	\$384.78	\$1,923.90
Total Project Cost	\$4,975,625.19	\$9,433,874.96	\$14,409,500.14

\*Numbers will be rounded up for accounting purposes.

\*\*Developer costs for the sewer improvements will be offset by an estimated \$263,797.48 in residual funds from the sale of 2017 Major Improvement bonds backed by PID assessments and \$17,378.57 in previous developer contributions collected when the first part of the PID sewer improvements were built. Walton Development & Management TX, LLC, which sponsored the PID and is responsible for ensuring construction of the missing PID sewer capacity per CSC 59409 has consented to use of these residuals for these sewer improvements.

The reimbursement of the City participation, excluding inspection and material testing fees, is not a lump-sum amount and may be less than the stated amount depending upon the actual quantities and unit prices from the Notice of Final Completion package, commonly referred to as the Green Sheet package.

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 Mayor & Council Communication (M&C) will appropriate funds in support of the Water Department's portion of the City of Fort Worth's Fiscal Years 2024-2028 Capital Improvements Program, as follows:

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Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Adjustment	Revised FY2024 Budget
W&S Community Facilities Agmt-Fund 56008	105040-CFA  Rock Creek Ranch lift stat	\$0.00	This M&C	\$2,340,000.00	\$2,340,000.00
W&S Capital Proj 2018-Fund 56014	105040-CFA  Rock Creek Ranch lift stat	\$0.00	This M&C	\$900,000.00	\$900,000.00
WS Capital Project 2019-56016	105040-CFA  Rock Creek Ranch lift stat	\$0.00	This M&C	\$6,193,875.00	\$6,193,875.00

Funding is currently available in the Unspecified-All Funds project within the W&S Community Facilities Agmt Fund, the W&S Capital Proj 2018 Fund, and the WS Capital Project 2019 Fund for the purpose of funding the CFA- Rock Creek Ranch lift stat project.

Funding for the Community Facility Agreement (CFA) – Rock Creek Ranch lift stat project as depicted in the table below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Community Facilities Agmt-Fund 56008	\$0.00	\$2,340,000.00	\$2,340,000.00

W&S Capital Proj 2018- Fund 56014	\$0.00	\$900,000.00	\$900,000.00
WS Capital Project 2019 - Fund 5616	\$0.00	\$6,193,875.00	\$6,193,875.00
Project Total	\$0.00	\$9,433,875.00	\$9,433,875.00

\*Numbers rounded for presentation purposes.

BUSINESS EQUITY- Acadia Services, LLC is in compliance with the City's Business Equity Ordinance by committing to 13% MWBE participation on this project. The City's MWBE goal on this project is 13%.

This project is located in COUNCIL DISTRICT 6.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the Unspecified - All Funds project within the W&S Community Facilities Agmt Fund, the W&S Capital Proj 2018 Fund, and the WS Capital Project 2019 Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the W&S Community Facilities Agmt Fund, the W&S Capital Proj 2018 Fund, and the WS Capital Project 2019 Fund for the CFA- Rock Creek Ranch lift stat project to support the approval of the above recommendations and execution of the agreement. 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:** Fernando Costa 6122

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