

Mayor and Council Communication

DATE: 11/08/22

M&C FILE NUMBER: M&C 22-0884

LOG NAME: 60WSSWATBCOMMUNITY-WOODY

SUBJECT

(CD 7) Authorize Execution of a Contract with Woody Contractors, Inc., in the Amount of \$4,199,690.00 for the Water and Sanitary Sewer Main Extension Buddharatanaram Community Project, Adopt Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt, and Adopt Appropriation Ordinance to Effect a Portion of Water’s Contribution to the Fiscal Years 2023-2027 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a contract with Woody Contractors, Inc., in the amount of \$4,199,690.00 for the Water and Sanitary Sewer Main Extension Buddharatanaram Community project;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for the Water and Sanitary Sewer Main Extension Buddharatanaram project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water and Sewer Commercial Paper Fund by increasing appropriations in the amount of \$4,841,414.00 in the Water and Sanitary Sewer Main Extension Buddharatanaram project (City Project No. 102994) and decreasing appropriations in the Water & Sewer Commercial Paper project (City Project No. UCMLPR) by the same amount to effect a portion of Water’s Contribution to the Fiscal Years 2023-2027 Capital Improvement Program.

DISCUSSION:

This Mayor and Council Communication (M&C) is to authorize a construction contract with Woody Contractors, Inc. for the water and sanitary sewer main extension to serve Wat Buddharatanaram Community on Wat Road (SE-HA-PAYAK) which begins and ends on Keller Haslet Road as shown on the attached Mayor and Council Communication Map.

The project was advertised for bids on September 1, 2022, and September 8, 2022, in the *Fort Worth Star-Telegram*. On September 29, 2022, the following bids were received:

Bidder	Amount	Time of Completion
Woody Contractors, Inc.	\$4,199,690.00	310 Calendar Days
Jackson Construction, Ltd.	\$4,551,659.00	
Reyes Group	\$4,688,888.90	

In addition to the contract amount, \$431,739.00 (Water: \$229,395.00; Sewer: \$202,344.00) is necessary for project management, inspection and material testing and \$209,985.00 (Water: \$110,650.00; Sewer: \$99,335.00) is provided for project contingencies.

This project will have no impact on the Water Department’s operating budgets when completed.

This project is anticipated to be included in a future revenue bond issue for the Water & 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.

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 amend the City of Fort Worth’s Fiscal Year 2023-2027 Capital Improvement Program as follows:

60WSSWATBCOMMUNITY-WOODY

Capital Fund Name	Project Name	FY2023 CIP Appropriations	Authority	Budget Change (Increase/ Decrease)	Revised FY2023 Budget
-------------------	--------------	---------------------------	-----------	------------------------------------	-----------------------

56021 - W&S Commercial Paper Fund	102994 – W&SS Main Ext. Buddharatanaram	\$0.00	This M&C	\$4,841,414.00	\$4,841,414.00
--	---	--------	----------	----------------	----------------

Funding is currently budgeted in the W&S Commercial Paper project within the Water & Sewer Commercial Paper Fund for the purpose of funding the W&SS Main Ext. Buddharatanaram project.

Appropriations for the W&SS Main Ext. Buddharatanaram project are as depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Projects - Fund 56002	\$614,348.00	\$0.00	\$614,348.00
W&S Commercial Paper – Fund 56021	\$0.00	\$4,841,414.00	\$4,841,414.00
Project Total	\$614,348.00	\$4,841,414.00	\$5,455,762.00

***Numbers rounded for presentation purposes.**

Business Equity: Woody Contractors, Inc., is in compliance with the City's Business Equity Ordinance by committing to eight percent Business Equity participation and documenting good faith effort. Woody Contractors, Inc. identified several subcontracting and supplier opportunities. However, the firms contacted in the areas identified did not respond or did not submit the lowest bids. The City's Business Equity goal on this project is 20 percent.

The project is located in COUNCIL DISTRICT 7.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the W&S Commercial Paper 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 W&SS Main Ext. Buddharatanaram project to support the above recommendations and execution of the contract. 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: Dana Burghdoff 8018

Originating Business Unit Head: Chris Harder 5020

Additional Information Contact: Brenda Oropeza 8271

Expedited