

# Mayor and Council Communication

DATE: 01/30/24

M&C FILE NUMBER: M&C 24-0100

LOG NAME: 60NSIV24INWTMP1C-TNP

## SUBJECT

(CD 10 and ETJ) Authorize Execution of an Engineering Agreement with Teague Nall & Perkins, Inc. in the Amount of \$1,142,215.00 for the Design of the Northside IV 24-inch Water Transmission Main, Phase 1C, Adopt Resolution Expressing Official Intent to Reimburse Expenditures and Proceeds of Future Debt and Adopt Appropriation Ordinance 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 execution of an Engineering Agreement with Teague Nall & Perkins, Inc. in the amount of \$1,142,215.00 for the Design of Northside IV 24-inch Water Transmission Main, Phase 1C (City Project No. 105114);
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds of future debt for the Design of the Northside IV 24-inch Water Transmission Main, Phase 1C project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in Design of Northside IV 24-inch Water Transmission Main, Phase 1C (City Project No. 105114) in the amount of \$1,918,750.00 and decreasing appropriations in the W&S Commercial Paper project (City Project No. UCMLPR) by the same amount, to effect a portion of Water's contribution to the Fiscal Years 2024-2028 Capital Improvement Program.

## DISCUSSION:

This Mayor and Council Communication (M&C) is to authorize engineering services for the Design of Northside IV 24-inch Water Transmission Main, Phase 1C project. The proposed water transmission main will provide connection between Bonds Ranch Road and the Northside IV Elevated Storage Tank located near the intersection of US 287 and BUS 287 south of Avondale-Haslet Road. The proposed water transmission main will provide increased reliability for increasing and future growth and demand in the far North area of Fort Worth.

The scope of services to be provided consists of a route study, hydraulic analysis, the preparation of design plans and specification for the selected alignment, design survey, geotechnical investigations, and easement document preparation.

Teague Nall & Perkins, Inc., proposes to provide the necessary services for a fee not to exceed \$1,142,215.00. Staff considers the proposed fee to be fair and reasonable for the scope of services proposed.

In addition to the contract amount, \$776,535.00 is required for project management, real property acquisitions and material testing.

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 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 appropriate funds in support of the Water's portion of the City of Fort Worth's Fiscal Years 2024-2028 Capital Improvement Program.

Funding for the Design of Northside IV 24-inch Water Transmission Main, Phase 1C project is depicted below:

### 60NSIV36INWTMP1C-TNP

Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/ Decrease)	Revised FY2024 Budget
56022 – W&S Commercial Paper Fund	105114 - NSIV24WTM P1C	\$0.00	This M&C	\$1,918,750.00	\$1,918,750.00

Funding is budgeted in the W&S Commercial Paper project within the W&S Commercial Paper Fund for the purpose of funding the Northside IV

24-inch Water Transmission Main, Phase 1C project.

Funding for the Design of Northside IV 24-inch Water Transmission Main, Phase 1C project is depicted below:

<b>Fund</b>	<b>Existing Appropriations</b>	<b>Additional Appropriations</b>	<b>Project Total*</b>
W&S Commercial Paper– Fund 56022	\$0.00	\$1,918,750.00	\$1,918,750.00
<b>Project Total</b>	<b>\$0.00</b>	<b>\$1,918,750.00</b>	<b>\$1,918,750.00</b>

\*Numbers rounded for presentation purposes.

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

**Business Equity:** Teague Nall & Perkins, Inc., is in compliance with City's Business Equity Ordinance by committing to 12 percent MWBE participation on this project. The City's MWBE goal on this project is 12 percent.

The project is located in COUNCIL DISTRICT 10 and ETJ.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the 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 NS IV 24 WTM P1C 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

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