

City of Fort Worth, Texas

# Mayor and Council Communication

DATE: 03/19/24 M&C FILE NUMBER: M&C 24-0224

LOG NAME: 60LONGHORN ESTATES PHASE 1 WATER IMPROVMENTS

SUBJECT

(CD 6) Authorize Execution of a Community Facilities Agreement with D.R. Horton-Texas, LTD., with City Participation in the Amount Up to \$2,753,063.55 for Oversizing an 8-Inch to a 12-Inch Water Main and an 8-Inch to 24-Inch Water Main for Longhorn Estates Phase 1 Development Located in South 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 \$2,753,063.55 for oversizing an 8-inch to a 12-inch water main and an 8-inch to 24-inch water main for Longhorn Estates Phase 1 Development located in northwest Fort Worth; and
2. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Water & 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 \$3,290,549.00 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 – Longhorn Estates Phase 1 project (City Project No.105087) and to effect a portion of Water's contribution to the Fiscal Years 2024-2028 Capital Improvements Program.

DISCUSSION:

D.R. Horton-Texas, LTD., (Developer) is constructing the Longhorn Estates Phase 1 development project located east of Chisholm Trail Parkway and north of Interstate Highway 1187. The City is participating in the project to oversize approximately 5,238 linear feet of an 8-inch water main to a 12-inch water main and approximately 3,565 linear feet of an 8-inch water main to a 24-inch water main for Longhorn Estates Phase 1 Development and anticipated future growth in the area. The construction cost for the 24-inch water main is estimated to be allocated at 15.9% for the Developer and 84.1% for the City. The Longhorn Estates Phase 1 project is assigned City Project No. 105087 and Accela System Record IPRC23-0129.

In accordance with Chapter 212, Subchapter C of the Texas Local Government Code, the City's participation in the contract is exempt from competitive bidding requirements because the contract is for oversizing public improvements being constructed by the Developer, the Developer will execute a performance bond to cover the total project cost, including all of the City's cost participation, and the City's cost participation will be determined in accordance with the City's community facilities agreement (CFA) unit price ordinance.

The City's cost participation in oversizing of the water mains is estimated to be in an amount not to exceed \$2,753,063.55 as shown in the table below. Payments to the Developer are estimated to be \$2,687,425.05 for construction costs and \$53,748.50 for material testing costs. The City's cost participation also includes \$11,890.00 to cover the City’s portion of construction inspection service fees, administrative material testing fees, and water lab fees. An additional \$537,485.01 in the 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. Water	\$853,794.53	\$2,687,425.05	\$3,541,219.57
2. Sewer	\$2,731,445.00	\$0.00	\$2,731,445.00
Contingency	\$0.00	\$537,485.01	\$537,485.01
3. Paving	\$5,719,784.85	\$0.00	\$5,719,784.85
4. Street Lights	\$605,988.06	\$0.00	\$605,988.06

5. Storm Drains	\$4,438,015.00	\$0.00	\$4,438,015.00
B. Inspections & Testing			
1. Construction Inspection Fee	\$106,800.00	\$11,400.00	\$118,200.00
2. Admin Material Testing Fee	\$45,080.00	\$490.00	\$45,570.00
3. Material Testing Cost	\$0.00	\$53,748.50	\$53,748.50
4. Water Lab Fee	\$3,690.00	\$0.00	\$3,690.00
Total Project Cost	\$14,504,597.44	\$3,290,548.56	\$17,795,146.00

\*Numbers will be rounded up for accounting purposes.

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 Change (Increase/ Decrease)	Revised FY2024 Budget
56014 – W&S Capital Proj 2018 Fund	105087 - CFA- Longhorn Estates Phase1	\$0.00	This M&C	\$3,290,549.00	\$3,290,549.00

Funding is available in the Unspecified-All Funds project within the Water & Sewer Capital Projects 2018 Fund for the purpose of funding the CFA- Longhorn Estates Phase 1 project.

Funding for the Community Facility Agreement (CFA) – Longhorn Estates Phase 1 project as depicted in the table below:

FUND	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Proj 2018 – Fund 56014	\$0.00	\$3,290,549.00	\$3,290,549.00
Project Total	\$0.00	\$3,290,549.00	\$3,290,549.00

\*Numbers rounded for presentation purposes.

BUSINESS EQUITY- D.R HORTON-Texas, LTD., the developer is in compliance with the City's Business Equity Ordinance by committing to 7% MWBE participation on this project. The City's MWBE goal on this project is 7%.

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 Capital Proj 2018 Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in W&S Capital Proj 2018 Fund for the CFA- Longhorn Estates Phase 1 project to support the approval of the above recommendations and execution of the

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