

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 08/12/25M&C FILE NUMBER: M&C 25-0728

LOG NAME: 60WSSC22WSMG-GRATEX

SUBJECT

(CD 2) Authorize Execution of a Contract with Gra-Tex Utilities, Inc., in the Amount of \$12,078,669.00, for Water and Sanitary Sewer Replacement Contract 2022, WSM-G 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 2025-2029 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a contract with Gra-Tex Utilities, Inc., in the amount of \$12,078,669.00 for Water and Sanitary Sewer Replacement Contract 2022, WSM-G project;
2. Adopt the attached Resolution expressing official intent to reimburse expenditures with proceeds from future debt for the Water and Sanitary Sewer Replacement Contact 2022 WSM-G project; and
3. Adopt the attached Appropriation Ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in Water and Sanitary Sewer Replacement Contact 2022 WSM-G project (City Project No. 104491) in the amount of \$13,087,777.00 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 2025-2029 Capital Improvement Program.

DISCUSSION:

This Mayor & Council Communication (M&C) is to authorize execution of a construction contract with Gra-Tex Utilities, Inc., in the amount of \$12,078,669.00 for the replacement of cast iron water and/or deteriorated sanitary sewer mains as indicated on the following streets and easements:

Street	From	To	Scope of Work
N. Calhoun Street	NE 34 th Street	NE 35 th Street	Water
N. Commerce Street	NE 34 th Street	NE 38 th Street	Water
Alley between N. Commerce Street and N. Main Street	NE 36 th Street	NE 37 th Street	Sewer
N. Main Street	NW 34 th Street	NE 38 th Street	Water
Alley between N. Main Street and Ellis Avenue	120 feet west and 350 feet south of N. Main Street/35 th Street Intersection	NW 36 th Street	Sewer
NW 35 th Street	N. Main Street	1,510 feet west	Water
Ellis Avenue	NW 34 th Street	NW 37 th Street	Water/Sewer
Alley between Ellis Avenue and N. Houston Street	165 feet west and 350 feet south of NW 35 th Street/Ellis Avenue intersection	NW 36 th Street	Sewer
N. Houston Street	NW 34 th Street	NW 35 th Street	Water
N. Houston Street	NW 36 th Street	NW 38 th Street	Water

Alley between N. Houston Street and Clinton Avenue	NW 35 th Street	NW 38 th Street	Sewer
Alley between Clinton Avenue and N. Houston Street	180 feet east of the 35th Street/Clinton Ave intersection	270 feet south	Sewer
Clinton Avenue	NW 34 th Street	NW 38 th Street	Water
Alley between Clinton Avenue and Ross Avenue	NW 35th Street	NW 37 th Street	Sewer
Alley between Clinton Avenue and Ross Avenue	NW 38th Street	500 feet South	Sewer
NW 36 th Street	N. Houston Street	Ross Avenue	Water/Sewer
NW 38 th Street	Clinton Avenue	Meachem Airport	Water
NW 34th Street	Ross Avenue/NW 34 Street Intersection	230 feet West	Water
Ross Avenue	NW 34 th Street	NW 37 th Street	Water

Additionally, asphalt pavement rehabilitation will be conducted on all the roadways curb to curb subsequent to the water and sanitary sewer main replacement.

The project was advertised for bids on May 28, and June 4, 2025, in the *Fort Worth Star-Telegram*. On July 3, 2025, the following bids were received:

Bidder	Amount	Time of Completion
Gra-Tex Utilities, Inc.	\$12,078,669.00	750 Calendar Days
Venus Construction Company	\$13,424,190.00	
Jackson Construction Ltd	\$13,999,999.00	
William J. Schultz, Inc. dba Circle C Construction Company	\$14,185,974.00	
Woody Contractors, Inc.	\$14,392,099.55	
Western Municipal Construction of Texas, LLC	\$14,526,600.70	

In addition to the contract amount, \$659,255.00 (Water: \$514,448.00, Sewer: \$144,807.00) is required for project management, material testing, and inspection. Project contingencies are provided in the amount of \$349,853.00 (Water: \$254,080.00; Sewer: \$95,773.00).

This project will have no impact on the Water Department's operating budget when completed. The sanitary sewer component of this project is part of the Sanitary Sewer Overflow Initiative Program of the Water Department. Approximately 14,880 linear feet of cast iron water and 6,675 linear feet of sanitary sewer pipe will be removed and replaced as part of this project.

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 appropriate funds in support of the Water's portion of the City of Fort Worth's Fiscal Years 2025-2029 Capital Improvement Program.

Funding is budgeted in the Commercial Paper project within the W&S Commercial Paper Fund for the purpose of funding the Water and Sanitary Sewer Replacement Contract 2022, WSM-G.

Appropriations for the water, sanitary sewer, and paving improvements for the Water and Sanitary Sewer Replacement Contract 2022 WSM-G project by Fund will consist of the following:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Projects - Fund 56002	\$900,950.00	\$0.00	\$900,950.00
W&S Commercial Paper Fund 56026	\$0.00	\$13,087,777.00	\$13,087,777.00
Project Total	\$900,950.00	\$13,087,777.00	\$13,988,727.00

*Numbers rounded for presentation purposes.

The project is located in COUNCIL DISTRICT 2.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are 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 W/SS Repl Contract 2022 WSM-G project to support the above recommendations and execution of the construction contract. Prior to any expenditure being incurred, the Water Department has the responsibility of validate the availability of funds.

Submitted for City Manager's Office by: Jessica McEachern 5804

Originating Business Unit Head: Chris Harder 5020

Additional Information Contact: Dena Johnson 7866

Expedited