

Mayor and Council Communication

DATE: 03/10/26

M&C FILE NUMBER: M&C 26-0184

LOG NAME: 60ALPHA RANCH OFFSITE SEWER

SUBJECT

(ETJ near CD 10) Authorize Execution of a Community Facilities Agreement with CTMGT Alpha Ranch, LLC with City Participation in an Amount Up to \$6,654,518.07 for Oversizing Various Size Sewer Mains for Anticipated Future Growth in North Fort Worth, Adopt Resolution Expressing Official Intent to Reimburse Expenditures from Proceeds of Future Debt Project, and Adopt Appropriation Ordinance to Effect a Portion of Water's Contribution to the Fiscal Years 2026-2030 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a Community Facilities Agreement with CTMGT Alpha Ranch, LLC with City participation in an amount up to \$6,654,518.07 for oversizing various size sewer mains for anticipated future growth in North Fort Worth;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds of future enterprise fund debt for the Community Facilities Agreement - Alpha Ranch MI Sewer project; and
3. Adopt the attached appropriation ordinance adjusting estimated appropriations in the Water and Sewer Commercial Paper Fund by decreasing estimated appropriations in the Commercial Paper project (City Project No. UCMLPR) in the amount of \$7,487,184.00 and increasing estimated appropriations in the Community Facilities Agreement Bucket programmable project (City Project No. P00001) by the same amount for the purpose of funding the Community Facilities Agreement CFA-Alpha Ranch MI Sewer project (City Project No. 105879) and to effect a portion of Water's contribution to the Fiscal Years 2026-2030 Capital Improvements Program.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize execution of a Community Facilities Agreement (CFA) with CTMGT Alpha Ranch, LLC in an amount up to \$6,654,518.07, adopt a resolution expressing official intent to reimburse expenditures with proceeds of future enterprise fund debt for the CFA-Alpha Ranch MI Sewer project, and adopt an appropriation ordinance to effect a portion of Water's Contribution to the Fiscal Years 2026-2030 Capital Improvement Program (CIP).

CTMGT Alpha Ranch, LLC (Developer) is constructing the Alpha Ranch development project located south of Highway 114 and west of John Day Road. The Developer is required to extend sewer main to serve the proposed development and offsite areas. The Water Department is requesting to oversize approximately 28,350 linear feet of sewer main with diameter that varies between 10 inches to 30 inches for anticipated future growth in the area. The construction costs for the sewer mains are estimated to be allocated at 33.8% for the Developer and 66.2% for the City. The Alpha Ranch Master Ranch Infrastructure sewer main project is assigned City Project No. 105879 and Accela System Record IPRC24-0218.

This project has been publicly bid. The City's cost participation in the oversizing of the sewer main is estimated to be in an amount up to \$6,654,518.07, as shown in the table below. Payments to the Developer are estimated to be: \$5,551,102.06 for construction costs, \$8,358.23 for Infrastructure Plan Review Center (IPRC) fees, \$111,022.04 for material testing costs, \$9,897.18 for public bid advertisement costs, \$624,681.00 for gas line relocation costs, and \$297,959.58 for design service costs. The City's cost participation also includes \$51,497.98 to cover the City's portion of construction inspection service fees and administrative material testing fees. An additional \$832,665.31 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:

| | 33.8% Developer Cost | 66.2% City Cost | Total Cost |
|--------------------------------|-------------------------------------|----------------------------|-------------------|
| Public Improvements | | | |
| Sewer Improvements | \$2,834,248.49 | \$5,551,102.06 | \$8,385,350.55 |
| Contingency | \$0.00 | \$832,665.31 | \$832,665.31 |
| Construction Fees | | | |
| A. Construction Inspection Fee | \$17,909.78 | \$35,077.73 | \$52,987.51 |
| B. Admin Material Testing Fee | \$8,383.75 | \$16,420.25 | \$24,804.00 |
| C. Material Testing Costs | \$0.00 | \$111,022.04 | \$111,022.04 |

| | | | |
|-----------------------------------|-----------------------|-----------------------|------------------------|
| D. Design Services Fees | \$152,130.42 | \$297,959.58 | \$450,090.00 |
| E. Public Bid Advertisement costs | \$5,053.24 | \$9,897.18 | \$14,950.42 |
| F. IPRC Plan Review Fees | \$4,267.50 | \$8,358.23 | \$12,625.73 |
| G. Gas line Relocation costs | \$0.00 | \$624,681.00 | \$624,681.00 |
| Total Cost | \$3,021,993.18 | \$7,487,183.38 | \$10,509,176.56 |

The reimbursement of the City participation 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 Capital Improvement Plan (CIP) throughout the Fiscal Year (FY), 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 2026-2030 CIP.

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.

Funding is available in the Commercial Paper project within the Water & Sewer Commercial Paper Fund for the purpose of funding the CFA-Alpha Ranch MI Sewer project.

Funding for the CFA-Alpha Ranch MI Sewer water project is as depicted in the table below:

| Fund | Existing Appropriations | Additional Appropriations | Project Total |
|-----------------------------------|--------------------------------|----------------------------------|-----------------------|
| W&S Commercial Paper - Fund 56026 | \$0.00 | \$7,487,184.00 | \$7,487,184.00 |
| Total | \$0.00 | \$7,487,184.00 | \$7,487,184.00 |

SMALL BUSINESS ORDINANCE – As none of the bids met the required 30% Small Business Enterprise participation goal, the contract was awarded to the lowest responsible bidder.

This project is located in the Extraterritorial Jurisdiction near Council District 10.

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 W&S Commercial Paper Fund for the CFA-Alpha Ranch MI Sewer project to support the execution of the agreement. Prior to an expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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