

Mayor and Council Communication

DATE: 01/14/25

M&C FILE NUMBER: M&C 25-0039

LOG NAME: 60BIRCHMAN WATER SEWER CAST IRON REPLACEMENT

SUBJECT

(CD 7) Authorize Execution of an Community Facilities Agreement with Muse Capital LLC, with City Participation in an Amount Up to \$206,180.35 for Replacing an Existing 6-Inch Sewer Main with an 8-Inch Sewer Main and an Existing 6-Inch Water Main with an 8-Inch Water Main Located in South Fort Worth, 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 the execution of a Community Facilities Agreement with Muse Capital LLC, with City participation in an amount up to \$206,180.35 for replacing an existing 6-inch sewer line with a 8-inch sewer main and an existing 6-inch water line with an 8-inch water main located in south Fort Worth; and
2. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Water & Sewer Capital Project 2019 Fund by increasing estimated receipts and appropriations in the Community Facilities Agreement Bucket programmable project (City Project No.P00001) in the amount of \$245,698.00 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 – CFA Birchman Office Space project (City Project No. 105553) and to effect a portion of Water’s contribution to the Fiscal Years 2025-2029 Capital Improvement Program.

DISCUSSION:

Muse Capital LLC, (Developer) is constructing the Birchman Office Space project located west of Camp Bowie Boulevard and south of Birchman Avenue. The Water Department desires to participate in the project to replace approximately 223 linear feet of existing 6-inch cast iron pipe sewer main. The Water Department also desires to replace approximately 159 linear feet of existing 6-inch water main with an 8-inch water main.

The City will pay 100% of the unit prices for replacing the existing 6-inch sewer main and 6-inch water main. The Birchman Office Space project is assigned City Project No. 105553 and Accela System Record Infrastructure Plan Review Center (IPRC) 24-0101.

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 City’s Participation in the contract will not exceed 30% of the total contract costs, 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 the replacement of the sewer and water main is estimated to be in an amount up to \$206,180.35 as shown in the table below. Payments to the Developer are estimated to be \$197,587.60 for construction costs and \$3,951.75 for material testing costs. The City’s cost participation also includes \$4,641.00 to cover the City’s portion of construction inspection service fees, administrative material testing fees, and water lab fees. An additional \$39,517.52 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:

Public Improvements	Developer Cost	City Cost	Total Cost
1. Water	\$691,804.72	\$93,689.05	\$785,493.77
2. Sewer	\$60,940.28	\$103,898.55	\$164,838.83
Sub-Total	\$752,745.00	\$197,587.60	\$950,332.60
Water Contingency 20%	\$0.00	\$39,517.52	\$39,517.52
3. Paving	\$83,486.75	\$0.00	\$83,486.75

Construction Fees:			
B. Construction Inspection Fee	\$22,200.00	\$4,200.00	\$26,400.00
C. Admin Material Testing Fee	\$980.00	\$441.00	\$1,421.00
D. Material Testing Cost	\$0.00	\$3,951.75	\$3,951.75
E. Water Testing Lab Fee	\$390.00	\$0.00	\$390.00
Total Project Cost	\$859,801.75	\$245,697.87	\$1,105,499.62

*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 (FY), instead of within the annual budget ordinance, as projects commence, additional funding needs are identified, and to comply with bond covenants.

60BIRCHMAN WATER SEWER CAST IRON REPLACEMENTS

Capital Fund Name	Project Name	FY2025 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2025 Budget
56016 - WS Capital Project 2019	105553 - CFA-Birchman Office Space	\$0.00	This M&C	\$245,698.00	\$245,698.00

Funding is available in the Unspecified All-Funds project within the WS Capital Project 2019 Fund for the purpose of funding the CFA-Birchman Office Space project.

Funding for the Community Facility Agreement (CFA) – Birchman Office Space project as depicted in the table below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
WS Capital Project 2019 - Fund 56016	\$0.00	\$245,698.00	\$245,698.00
Project Total	\$0.00	\$245,698.00	\$245,698.00

*Numbers rounded for presentation purposes.

BUSINESS EQUITY- A goal is not required under Business Equity Ordinance 25165-102021 when City spending participation on Community Facilities Agreements is less than \$1,000,000.00 dollars.

An amendment or change order may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

This project is located in COUNCIL DISTRICT 7.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Unspecified All-Funds project within the WS Capital Project 2019 Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in WS Capital Project 2019 Fund for the CFA- Birchman Office Space project to support the approval of the above recommendations and 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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