

Mayor and Council Communication

DATE: 11/14/23

M&C FILE NUMBER: M&C 23-0982

LOG NAME: 20SWM FWCC VIOLA STORM DRAIN CONST

SUBJECT

(CD 9) Authorize Execution of a Contract with Fort Worth Civil Constructors LLC, in the Amount of \$5,969,758.60 for Construction of the Fort Worth Central City Viola Storm Drain Project, Adopt Resolution Expressing Official Intent for City to Reimburse Itself, Adopt Appropriation Ordinances, and Amend the Fiscal Years 2024-2028 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a contract with Fort Worth Civil Constructors LLC, in the amount of \$5,969,758.60, for construction of the Fort Worth Central City (FWCC) Viola Storm Drain project (City Project No. 103264);
2. Adopt the attached resolution expressing official intent for the City to reimburse expenditures with proceeds from future debt and/or annual payments from the Tarrant Regional Water District for the Fort Worth Central City Viola Storm Drain project;
3. Adopt the attached appropriation ordinance adjusting appropriations in the Stormwater Commercial Paper Fund by increasing appropriations in the amount of \$6,268,247.00 in the FWCC Viola Storm Drain project (City Project No. 103264) and decreasing appropriations in the Stormwater Commercial Paper project (City Project No. UCMLPR) by the same amount;
4. Adopt the attached ordinance adjusting estimated receipts and appropriations in the Stormwater Capital Projects Fund by increasing estimated receipts and appropriations in the FWCC Viola Storm Drain project (City Project No. 103264) in the amount of \$275,000.00 and decreasing estimated receipts and appropriations in the FWCC Grand Ave Ph 2 Pt 2 (City Project No. 103664) by the same amount
5. Adopt the attached ordinance adjusting estimated receipts and appropriations in the Stormwater Capital Projects Fund by increasing estimated receipts and appropriations in the FWCC Viola Storm Drain project (City Project No. 103264) in the amount of \$607,045.00 and decreasing estimated receipts and appropriations in the FWCC Grand Ave Ph 2 Pt 3 (City Project No. 103665) by the same amount; and
6. Amend the TPW Fiscal Years 2024-2028 Capital Improvement Program.

DISCUSSION:

Approval of this Mayor and Council Communication (M&C) will authorize a contract for construction services related to the Fort Worth Central City (FWCC) Viola Storm Drain project and make supporting appropriation adjustments.

The Transportation and Public Works (TPW) Department Stormwater Program is advancing the funding for FWCC Viola Storm Drain project and will generally be reimbursed by the Tarrant Regional Water District (TRWD). This project will involve the installation of a new storm drain line and replacement of 5 inlets as indicated at the locations below, in preparation for the South Bypass Channel planned by the United States Army Corps of Engineers (USACE). The project will begin at the intersection of Kansas Street and Commercial Street and outfall into existing Trinity River, approximately ¼ mile southeast of this intersection. The below table outlines the project limits and the scope of work.

Location	From	To	Scope of work
Kansas St	Commercial St / Kansas St Intersection	110 ft E	Storm Drain and replacement of 3 inlets
Kansas St	Kansas St/ Viola St	40 ft NE	Storm Drain Line and replacement of 2 inlets
Kansas St	Kansas St / Viola St	170 ft SE	Storm Drain Line into outfall

The project was advertised for bids on August 17th and August 24th, 2023 in the *Fort Worth Star-Telegram*. On September 14th, 2023, the below bids were received. Following the bid opening, on September 15th, Fort Worth Civil Constructors LLC notified the Project Manager of an error in their alternate bid and requested it be withdrawn.

Bidder	Base Bid	Alternate Bid

Fort Worth Civil Constructors LLC	\$5,969,758.60	(alternate bid withdrawn)
SJ Louis Construction of TX	\$6,600,023.00	\$6,710,448.00
Western Municipal Construction of TX LLC	\$6,961,315.00	\$7,147,365.00

Most or all of the costs of this project are anticipated to be included in future commercial paper draws and repaid from a series of annual reimbursements from the Tarrant Regional Water District (TRWD) as part of the FWCC Viola Storm Drain project. In the event any costs are not fully reimbursed by TRWD, bond-eligible costs could be included in a future revenue bond issue for the Stormwater Utility or may be funded through proceeds of previously issued revenue bonds and/or pay-go funding. Available cash within the Stormwater portfolio and the City's portfolio along with the appropriation authority authorized under the Commercial Paper Program (CP) will be used to provide interim financing, which would largely be initially reimbursed by issued CP and subsequently repaid by the annual payments from TRWD and/or issued or available debt and/or pay-go. 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 debt but preserves the ability of the City to reimburse itself from proceeds of future tax-exempt debt. Once reimbursement associated with this project is received, paid for from existing debt and/or pay-go, or debt issued, those funds will be used to reimburse the Stormwater portfolio and the City's portfolio in accordance with the attached reimbursement resolution.

Funding for the FWCC Viola Storm Drain project is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total
52002 – Stormwater Capital Projects	\$663.00	\$882,045.00	\$882,708.00
52007 - Stormwater Rev Bonds 2020	\$347,945.00	\$0.00	\$347,945.00
52008 - Drainage Rev Bonds Series 2023	\$1,000,000.00	\$0.00	\$1,000,000.00
52009 – Stormwater Commercial Paper	\$0.00	\$6,268,247.00	\$6,268,247.00
Total	\$1,348,608.00	\$7,150,292.00	\$8,498,900.00

The actions of this M&C change the funding source from 2023 Revenue Bonds to Commercial Paper.

Funding for this project was included in the FY2024-2028 Capital Improvement Program in the amount of \$1,348,608.00. Additional funding in the amount of \$7,150,292.00 is needed for construction. The action of this M&C will amend the FY 2024-2028 Capital Improvement Program as approved in connection with Ordinance 26453-09-2023.

Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2024 Budget
Fund 52009 – Stormwater Commercial Paper	103264 – FWCC Viola Storm Drain	\$0.00	This M&C	\$6,268,247.00	\$6,268,247.00
Fund 52002 – Stormwater Capital Projects	103264 – FWCC Viola Storm Drain	\$663.00	This M&C	\$882,045.00	\$882,708.00
Total		\$663.00		\$7,150,292.00	\$7,150,955.00

The \$5,969,758.60 amount of this contract, the \$60,000.00 material testing fee (to be performed by a geotechnical testing firm), and the \$120,000.00 inspection fee (to be performed by an inspection firm) are considered FWCC-related work, which are eligible for funding from Tax Increment Reinvestment Zone No. 9 (Trinity River Vision TIF) pursuant to the Trinity River Vision Authority (TRVA) Project Plan. Having met its \$26.6 million commitment to the TRVA Project, the TRWD will reimburse the City's yearly expenses at the end of each fiscal year, up to the total amount of \$6,149,758.60 at project completion, in accordance with the provisions of the executed Interlocal Agreement between the City and the

TRWD (City Secretary Contract No. 43425). Staff will record a receivable every month for reimbursable expenses, and the FWCC Program Manager in the FW Lab Department will be responsible for collecting the full reimbursement from TRWD at the end of each fiscal year. An additional \$298,488.00 in construction contingencies have been added into the project, which may be used if additional proceeds are needed for FWCC-related work. Also, \$90,000.00 in city staff time for project oversight and contract management will be added, which is non-reimbursable by TRWD.

In addition to this, previously allocated design related expenses (per M&C's 21-0328 & 21-0508 & 23-0893) have totaled \$381,251.00. An administrative zero-dollar amendment to M&C 21-0508 reduced the design related fees by \$5,000.00. Additional project management and construction administration expenses for both TranSystems and Shield Engineering are anticipated to be \$230,794.00. Reimbursement for these expenses will be covered on separate M&C's.

	City of Fort Worth Upfront Funding	Anticipated TRWD Reimbursement	Anticipated Final City of Fort Worth Cost
Construction	\$5,969,758.60	\$5,969,758.60	\$0.00
Contingency	\$298,488.00	\$298,488.00	\$0.00
Material Testing	\$60,000.00	\$60,000.00	\$0.00
Inspection	\$120,000.00	\$120,000.00	\$0.00
City Staff Time	\$90,000.00	\$0.00	\$90,000.00
Design Phase	\$381,251.00	\$381,251.00	\$0.00
Construction Administration	\$230,794.00	\$230,794.00	\$0.00
Total	\$7,150,291.60	\$7,060,291.60	\$90,000.00

Fort Worth Civil Constructors, LLC is in compliance with the City's Business Equity Ordinance by committing to 15% Business Equity participation and documenting good faith efforts. Fort Worth Civil Constructors, LLC identified several subcontracting and supplier opportunities. However, the firms contacted in the areas identified did not respond or did not submit the lowest bids. The City's Business Equity goal on this project is 20%.

Due to TRWD water quality regulations associated with the outfall locations of these storm drain improvements, this project will install specialized water quality treatment inlet devices in multiple inlets which will require a higher level of maintenance than the existing system's inlets. This additional maintenance is expected to cost Stormwater field operations an additional \$1,500.00/year to maintain. Construction is expected to start in December 2023 and be completed by October 2024.

This project is located in COUNCIL DISTRICT 9.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Commercial Paper project within the Stormwater Commercial Paper Fund as well as in the FWCC Grand Ave Ph2 Pt2 and in the FWCC Grand Ave Ph2 Pt3 projects within the Stormwater Capital Projects Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the Stormwater Commercial Paper Fund and the Stormwater Capital Projects Fund for the FWCC Viola Storm Drain project to support the above recommendations and execution of the contract. Prior to any expenditure being incurred, the Transportation & Public Works Department has the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: William Johnson 5806

Originating Business Unit Head: Lauren Prieur 6035

Additional Information Contact: Linda Young 2485

