

City of Fort Worth, Texas

# Mayor and Council Communication

DATE: 01/23/24M&C FILE NUMBER: M&C 24-0081

LOG NAME: 20SWM FWCC VIOLA STORM DRAIN CONSTRUCTION2

SUBJECT

(CD 9) Authorize Execution of a Contract with Fort Worth Civil Constructors LLC, in the Amount of \$5,996,729.00 for Construction of the Fort Worth Central City Viola Storm Drain Project, Adopt Appropriation Ordinance to Shift Funding to the Project until Reimbursement from the Tax Increment Reinvestment Zone becomes Available, 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 \$5,996,729.00, for construction of the Fort Worth Central City Viola Storm Drain project (City Project No. 103264);
2. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Drainage Rev Bonds Series 2023 Fund by increasing estimated receipts and appropriations in the FWCC Viola Storm Drain project (City Project No. 103264) in the amount of \$5,658,654.00 and decreasing estimated receipts and appropriations in the SW Hazardous Rd Overtopping programmable project (City Project No. P00120) by the same amount to provide funding for Viola project until reimbursement from the Tax Increment Reinvestment Zone becomes available; and
3. Amend the 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 the FWCC Viola Storm Drain project and is expected to be reimbursed directly from future revenues from Tax Increment Finance (TIF) District 9. 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 November 22nd and November 30th, 2023 in the *Fort Worth Star-Telegram*. On December 14th, 2023, the following bids were received.

Bidder	Base Bid	Alternate Bid
Fort Worth Civil Constructors LLC	\$6,996,854.00	\$5,996,729.00
Circle C Construction	\$6,947,470.00	\$6,553,720.00

Bidder	Base Bid	Alternate Bid
Western Municipal Construction of TX LLC	\$6,496,357.70	\$6,620,694.15

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

Fund	Existing Appropriations	Additional Appropriations	Project Total
52002 – Stormwater Capital Projects	\$170,663.00	\$0.00	\$170,663.00
52007 - Stormwater Rev Bonds 2020	\$347,945.00	\$0.00	\$347,945.00
52008 - Drainage Rev Bonds Series 2023	\$1,000,000.00	\$5,658,654.00	\$6,658,654.00
Total	\$1,518,608.00	\$5,658,654.00	\$7,177,262.00

Funding for this project was included in the Fiscal Years (FY) 2024-2028 Capital Improvement Program in the amount of \$1,518,608.00. Additional funding in the amount of \$5,658,654.00 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 52008 – Stormwater Capital Projects	103264 – FWCC Viola Storm Drain	\$1,000,000.00	This M&C	\$5,658,654.00	\$6,658,654.000
Total		\$1,000,000.00		\$5,658,654.00	\$6,658,654.00

The \$5,996,729.00 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. 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. If utilized for a reimbursement-eligible expense, the contingency costs would also be reimbursable.

Having exhausted the share of the local program budget allocated to Stormwater infrastructure relocation, costs for this contract will not be included in the annual reimbursement process between the City and the Tarrant Regional Water District (TRWD). Rather, costs for this contract will be eligible for reimbursement directly from future Trinity River Vision TIF revenue after prior commitments of the TIF have been satisfied. Once reimbursement associated with this project is received, those funds will be used to reimburse the Stormwater utility. Also, \$90,000.00 in city staff time for project oversight and contract management will be added, which is non-reimbursable by TRWD or the TIF.

Because annual reimbursement by TRWD is not available for this project, Commercial Paper cannot be used to advance the funding. Instead, as depicted in the tables above, much of the initial funding for the project will be reallocated from the Stormwater Program’s 2023 Revenue Bonds. The City is looking for potential alternative funding sources for the project to reduce planned stormwater project delays due to funding reallocation since reimbursement will not happen until TIF revenue prior commitments have been satisfied.

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 and would generally also

be eligible for reimbursement.

The following chart depicts the initial funds allocated, anticipated reimbursements, and anticipated ultimate net costs to the City.

	City of Fort Worth Upfront Funding	Anticipated TIF Reimbursement	Anticipated Final City of Fort Worth Cost
Construction	\$5,996,729.00	\$5,996,729.00	\$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	\$7,177,262.00	\$7,087,262.00	\$90,000.00

Fort Worth Civil Constructors, LLC is in compliance with the City's Business Equity Ordinance by committing to 20% MWBE participation on this project. The City's MWBE 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 February 2024 and be completed by October 2024.

Funding is budgeted in the SW Hazardous Rd Overtopping programmable project within the Drainage Rev Bonds Series 2023 Fund for the purpose of funding the FWCC Viola project.

This project is located in COUNCIL DISTRICT 9.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the SW Hazardous Rd Overtopping programmable project in the Drainage Rev Bonds Series 2023 Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the Drainage Rev Bonds Series 2023 Fund for the FWCC Viola 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

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