

# Mayor and Council Communication

DATE: 02/10/26

M&C FILE NUMBER: M&C 26-0112

LOG NAME: 60FWCCWSSRA1-KHA

## SUBJECT

(CD 2, CD 8, CD 9 and CD 11) Authorize Execution of Amendment No. 1 in the Amount of \$1,948,665.00 to an Engineering Agreement with Kimley-Horn and Associates, Inc. for the Fort Worth Central City Water and Sanitary Sewer Relocations Project, Adopt a Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt, Adopt Appropriation Ordinances to Effect a Portion of Water's Contribution to the Fiscal Years 2026-2030 Capital Improvement Program and Amend Transportation and Public Works Department's Fiscal Years 2026-2030 Capital Improvement Program

## RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of Amendment No. 1 to City Secretary Contract No. 61230 an Engineering Agreement with Kimley-Horn and Associates, Inc., in the amount of \$1,948,665.00 for construction support services for the Fort Worth Central City Water and Sanitary Sewer Relocations project for a revised contract amount of \$4,396,765.00;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt and/or annual payments from the Tarrant Regional Water District for the Fort Worth Central City Water and Sewer Relocations project;
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in the Fort Worth Central City Water and Sanitary Sewer Relocations (City Project No. 104484) in the amount of \$1,059,892.00 and decreasing appropriations in the Water & Sewer Commercial Paper project (City Project No. UCMLPR) by the same amount;
4. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the General Capital Projects Fund by increasing estimated receipts and appropriations in Fort Worth Central City Water and Sanitary Sewer Relocations project (City Project No. 104484) in the amount of \$628,500.00 and decreasing estimated receipts and appropriations in the Unspecified All-Funds project (City Project No. UNSPEC) by the same amount;
5. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Water & Sewer Revenue Bonds Series 2023 Fund by increasing estimated receipts and appropriations in the Fort Worth Central City Water and Sanitary Sewer Relocations project (City Project No. 104484) in the amount of \$430,273.00, and decreasing estimate receipts and appropriations in the Commercial Paper project (City Project No. UCMLPR) by the same amount and to effect a portion of Water's contribution to the Fiscal Year's 2026-2030 Capital Improvement Program; and
6. Amend the Transportation & Public Works Contribution to the Fiscal Years 2026-2030 Capital Improvement Program.

## DISCUSSION:

On March 26, 2024, Mayor and Council Communication (M&C) 24-0256, the City Council authorized an engineering agreement in the amount of \$2,448,100.00 with Kimley-Horn and Associates, Inc., (City Secretary Contract No. 61230) for the Fort Worth Central City Water and Sanitary Sewer Relocations project.

Amendment No. 1 provides for the following: Water line relocations on Beach Street North of Trinity River to avoid conflicts with the United States Army Corps of Engineers (USACE) Rockwood Park and Gateway Oxbow Ecosystem Restoration project; Sanitary Sewer Relocations to avoid conflicts with USACE South Bypass Channel project near Henderson Street and the West Fork Trinity River area north of downtown; water and sanitary sewer relocations associated with the to avoid conflicts with USACE University Drive project from Jacksboro Highway to Rockwood Park Drive north of the West Fork Trinity River; design of a 5 foot sidewalk on Rockwood Lane from University Drive to Rockwood Park and design of traffic signal foundations and conduits at the N. University Drive/Rockwood Lane and N. University Drive/Rockwood Park Drive intersections; additional project management and design for the access road to provide access for vehicular traffic during the closure of University Drive during the USACE project. The Water Department is responsible for the water and sanitary sewer relocations while the Transportation and Public Works Department is responsible for the access road.

In addition to the amendment, \$120,000.00 (Water: \$70,000.00; Sewer: \$50,000.00) is provided for additional staff project costs and \$50,000.00 (TPW) is provided for real property acquisition costs.

This project is anticipated to be repaid from a series of annual reimbursements from the Tarrant Regional Water District (TRWD) as part of the Fort Worth Central City (FWCC) Water & Sewer Relocations project. In the event any bond-eligible costs are not fully reimbursed by TRWD, those costs would be anticipated to be included in a future revenue bond issue for the Water & Sewer Fund. 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 the debt is issued. Once payment is received from TRWD and/or debt associated with the unreimbursed portions of this project is sold, those funds 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 Capital Improvement Program (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.

Funding is budgeted in the W&S Commercial Paper project within the W&S Commercial Paper Fund, in the Contract Street Maintenance Programmable project within the General Capital Projects Fund, and in the Commercial Paper project within the W&S Revenue Bonds Series 2023 Fund for the purpose of funding the Fort Worth Central City Water and Sanitary Sewer Relocations project.

Out of the \$1,948,665.00 amount, \$1,539,392.00 (Water: \$507,189.00; Sewer \$552,703.00; TPW: \$479,500.00) is considered Trinity River Vision (TRV) related work, which is eligible for funding from Tax Increment Reinvestment Zone No. 9 (TRVA TIF) pursuant to the TRVA Project Plan. Having met its \$26.6 million commitment to the TRV Project, the City will be reimbursed the amount of \$1,059,892.00 for the water and sanitary sewer relocations by the Tarrant Regional Water District (TRWD), in accordance with the provisions of the executed Interlocal Agreement between the City and the TRWD (City Secretary Contract No. 43425, as amended). 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.

Funding for the Fort Worth Central City Water and Sanitary Sewer Relocations are depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Commercial Paper – Fund 56026	\$27,361,047.77	\$1,059,892.00	\$28,420,939.77
W&S Rev Bonds Series 2023 – Fund 56021	\$0.00	\$430,273.00	\$430,273.00
W&S Capital Projects – Fund 56002	\$28,017,620.49	\$0.00	\$28,017,620.49
General Capital Projects – Fund 30100	\$0.00	\$628,500.00	\$628,500.00
<b>Project Total</b>	<b>\$55,378,668.26</b>	<b>\$2,118,665.00</b>	<b>\$57,497,333.26</b>

\*Numbers rounded for presentation purposes.

The project is located in COUNCIL DISTRICT 2 AND 9.

#### **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 the Commercial Paper project within the W&S Rev Bonds Series 2023 Fund, and the Contract Street Maintenance programmable project within the General Capital Projects 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 and the W&S Rev Bonds Series 2023 Fund for the FWCC Water & Sewer Relocations project. Prior to an expenditure being incurred, the Water and the Transportation and Public Works Departments have the responsibility of verifying the availability of funds.

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

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