

Mayor and Council Communication

DATE: 05/10/22

M&C FILE NUMBER: M&C 22-0355

LOG NAME: 60CHISHOLM TRAIL RANCH OFFSITE SEWER CFA

SUBJECT

(CD 6) Authorize Execution of a Community Facilities Agreement with Meritage Homes of Texas, LLC, with City Participation in an Amount Not to Exceed \$6,345,616.37 for Oversizing and Land Acquisition for the Extension of Chisholm Trail Ranch Offsite Sewer Main Located in South West Fort Worth and Anticipated Future Growth in South Fort Worth, and Adopt Attached Appropriation Ordinance to Effect a Portion of Water's Contribution to the Fiscal Years 2022-2026 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a community facilities agreement with Meritage Homes of Texas, LLC, with City participation in an amount not to exceed \$6,345,616.37 for oversizing and land acquisition for the Chisholm Trail Ranch offsite sewer main located in south west Fort Worth and anticipated future growth in south Fort Worth; and
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund, in the amount of \$7,578,074.00, from available funds, in the Community Facilities Agreement Bucket programmable project (City Project No.P00001), for the purpose of funding the Community Facilities Agreement – Chisholm Trail Ranch Offsite Sewer Project (City Project No.103610) and to effect a portion of Water's contribution to the Fiscal Years 2022-2026 Capital Improvement Program.

DISCUSSION:

Meritage Homes of Texas, LLC (Developer) is constructing Chisholm Trail Ranch offsite sanitary sewer. The project will serve Chisholm Trail Ranch development located west of South Freeway and north of McPherson Boulevard. The City is participating in the project to oversize 18,000 linear feet of sewer main to provide additional capacity for future growth within the basin. The construction cost for the project is estimated to be allocated at 24% for Meritage Homes of Texas, LLC and 76% for the City. The Chisholm Trail Ranch offsite sewer project is assigned (City Project No. 103610) and Accela System Record IPRC21-0132.

Meritage Homes of Texas, LLC, Inc has publicly bid the project. The City's cost participation in the land acquisition and oversizing of the sewer main is estimated to be in an amount not to exceed \$6,345,616.37 as shown in the table below. Payments to the Developer are estimated to be \$6,162,285.20 for construction costs, \$4,230.04 public bid advertisement, \$851.40 for IPRC plan review fees, \$35,720.00 for easement cost, \$13,736.25 for construction inspection fees, \$5,547.78 for admin material testing fees and \$123,245.70 for material testing cost. The remaining City participation for contingency in the estimated amount of \$1,232,457.04 will cover the City's portion of any change orders.

A. Public Improvements	Developer Cost	City Cost	Total Cost
1. Sewer	\$1,945,984.80	\$6,162,285.20	\$8,108,270.00
Contingency 20%	\$0.00	\$1,232,457.04	\$1,232,457.04
B. Inspections & Testing			
1. Construction Inspection Fee (33.3%)	\$27,513.75	\$13,736.25	\$41,250.00
2. Admin Material Testing Fee (33.3%)	\$11,112.22	\$5,547.78	\$16,660.00
3. Material Testing Cost (33.3%)	\$0.00	\$123,245.70	\$123,245.70
4. Water Lab Fee	\$0.00	\$0.00	\$0.00

C. Easements (76%)	\$11,280.00	\$35,720.00	\$47,000.00
D. IPRC Plan Review Fees (10%)	\$7,662.60	\$851.40	\$8,514.00
E. Public Bid Advertisement (76%)	\$1,335.80	\$4,230.04	\$5,565.84
Total Project Cost	\$2,004,889.17	\$7,578,073.41	\$9,582,962.58

*Numbers will be rounded up for accounting purposes.

The reimbursement of the 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, 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 Mayor & Council Communication (M&C) will appropriate funds in support of the Water's portion of the City of Fort Worth's Fiscal Years 2022.

Capital Fund Name	Project Name	FY2022 CIP	Authority	Budget Change (Increase/Decrease)	Revised FY2022 Budget
		Appropriations			
Govt Community Facilities Agmt-Fund 30111	P00001-CFA Bucket	\$1,100,000.00			\$1,100,000.00
CFA Developer-Fund 30114	P00001-CFA Bucket	\$6,000,000.00			\$6,000,000.00
Water/Sewer Bond 2016-Fund 56005	P00001-CFA Bucket	\$0.00	M&C 21-0917	\$1,211,467.00	\$1,211,467.00
			M&C 21-0919	\$112,280.00	\$112,280.00
			M&C 21-0918	\$55,061.00	\$55,061.00
			M&C 22-0176	\$234,735.00	\$234,735.00
			M&C 22-0177	\$180,752.00	\$180,752.00
			M&C 22-0176	\$234,735.00	\$234,735.00
			M&C 22-0177	\$180,752.00	\$180,752.00
Water & Sewer Bond 2017A-Fund 56011	P00001-CFA Bucket	\$0.00	M&C 22-0175	\$200,857.00	\$200,857.00
			This M&C	\$7,578,074.00	\$7,578,074.00

Total P00001-CFW Bucket Appropriations		\$7,100,000.00		\$9,988,713.00	\$17,088,713.00
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Funding for the Community Facility Agreement (CFA) – Chisholm Trail Ranch Offsite Sewer as depicted in the table below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
Water & Sewer Bond 2017A - Fund 56011	\$200,857.00	\$0.00	\$200,857.00
Water & Sewer Capital Projects - Fund 56002	\$0.00	\$7,578,074.00	\$7,578,074.00
Total Project	\$200,857.00	\$7,578,074.00	\$7,778,931.00

*Numbers rounded for presentation purposes.

Funding is currently available in the Unspecified-All Funds project within the Water & Sewer Capital Projects fund for the purpose of funding the community facilities agreement – Chisholm Trail Ranch Offsite Sewer project.

BUSINESS EQUITY – City Project No. 103521 is listed on the Cost Participation Water Department list of waived developer projects negotiated in Fiscal Years 2019-2020 and agreed upon between Development Services and DVIN

This development is located in Council District 6.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Unspecified - All Funds project within the W&S 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 Capital Projects Fund for the CFA Bucket programmable 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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Expedited