

# Mayor and Council Communication

**DATE:** 06/27/23

**M&C FILE NUMBER:** M&C 23-0589

**LOG NAME:** 202022 BOND YEAR 1 - CONTRACT 2 - MCCLENDON

**SUBJECT**

(CD 8 and CD 11) Authorize Execution of a Contract with McClendon Construction Company, Inc., in the Amount of \$7,674,662.50 for Combined Street Paving Improvements, Stormwater Improvements, and Water and Sanitary Sewer Main Replacements for 2022 Bond Year 1 - Contract 2 Project, Adopt Appropriation Ordinances to Effect a Portion of Water’s Contribution to Fiscal Years 2023-2027 Capital Improvement Program and Amend the Fiscal Years 2023-2027 Capital Improvement Program (2022 Bond Program)

**RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize execution of a contract with McClendon Construction Company, Inc., in the amount of \$7,674,662.50, for combined street paving improvements, stormwater improvements, and water and sanitary sewer main replacements for the 2022 Bond Year 1 - Contract 2 project (City Project No. 102927);
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$365,719.00, transferred from available funds within the Water and Sewer Fund, for the purpose of funding the 2022 Bond Year 1 - Contract 2 project (City Project No. 102927) to effect a portion of Water’s Contribution to the Fiscal Years 2023-2027 Capital Improvement Program;
3. Adopt the attached appropriation ordinance increasing receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$3,217,042.00, from available funds for the purpose of funding the 2022 Bond Year 1 - Contract 2 project (City Project No. 102927) to effect a portion of Water's Contribution to the Fiscal Years 2023-2027 Capital Improvement Program;
4. Adopt the attached appropriation ordinance adjusting appropriations in the 2022 Bond Program Fund by increasing appropriations in the 2022 Bond Year 1 - Contract 2 project (City Project No. 102927) in an amount of \$4,061,905.00 and decreasing appropriations in the Street Improvement-Deteriorating Streets programmable project (City Project No. PB0019) by the same amount;
5. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Stormwater Capital Projects Fund by increasing estimated receipts and appropriations for the Street Paving Improvements, Storm Drain and Water and Sanitary Sewer Main Replacements for the 2022 Bond Year 1 - Contract 2 project (City Project No. 102927) in an amount of \$330,000.00 and decreasing estimated receipts and appropriations in the Drainage Improvements programmable project (City Project No. P00043) by the same amount;
6. Adopt the attached appropriation ordinance increasing receipts and appropriations in the Stormwater Capital Projects Fund in the amount of \$1,000,000.00, from available funds, for the purpose of funding the 2022 Bond Year 1 - Contract 2 project (City Project No. 102927); and
7. Amend the Transportation & Public Works Department's Contribution to Fiscal Years 2023-2027 Capital Improvement Program.

**DISCUSSION:**

This Mayor and Council Communication (M&C) is to authorize a construction contract for Year 1 Neighborhood Streets Improvements project associated with the 2022 Bond Program. For 2022 Bond Year 1 - Contract 2 project, this includes water, sanitary sewer, storm drain and street paving improvements on approximately 2.52 lane miles, on the following streets:

Street	From	To	Scope
Avenue C	Thrall Street	Wesleyan Street	Paving/Water
Avenue E	Bishop Street	Campbell Street	Paving/Water
Avenue G	Binkley Street	S. Collard Street	Paving/Water
Holmes Street	E. Rosedale Street	Avenue G	Paving/Water/Sewer
N. Avenue H	W. Dead End	Miller Avenue	Paving
Thrall Street	E. Vickery Boulevard	Avenue D	Paving/Water/Stormdrain
E. Vickery Boulevard	Thrall Street	120 ft West	Stormdrain
Avenue A	Thrall Street	Ravine Road	Stormdrain
Avenue A*	Thrall Street	Wesleyan Street	Water
Avenue B*	Thrall Street	Binkley Street	Water

\*Due to the close proximity to the 2022 Bond Year 1 - Contract 1 project streets above, the Water Department has requested for water main extensions on these streets in order to loop the water system and provide increased efficiency. Asphalt paving rehabilitation will be conducted on the roadway subsequent to the water main installation.

The storm drain component will relocate an existing storm drain from outside of the right of way into the right of way. This effort will ensure function and improved maintainability of the storm drain system in the area.

The project was advertised for bid on April 6, 2023, and April 13, 2023, in the *Fort Worth Star-Telegram*. On May 4, 2023, the following bids were received:

Bidder	Total Bid	Time of Completion
FNH Construction, LLC**	\$7,495,790.00	
<b>McClendon Construction Company, Inc.</b>	<b>\$7,674,662.50</b>	<b>400 Calendar Days</b>
Stabile & Winn, Inc.	\$7,912,338.50	
Jackson Construction, Ltd.	\$8,442,703.00	

\*\*FNH's bid has been determined to be a non-response to the contract documents due to failure to be pre-qualified at the time of bid opening as required. The bid is therefore rejected.

The Transportation & Public Works Department's share on this contract is \$4,591,495.00 (Paving: \$3,510,195.00; Stormwater: \$1,081,300.00). The paving funds for this project are included in the 2022 Bond Program. The Water Department's share on this contract is \$3,083,167.50 (Water: \$2,801,412.50; Sewer \$281,755.00) and will be available in the Water & Sewer Capital Projects Fund for the project (City Project No. 102927). In addition to the contract amount, \$902,181.00 (Water: \$275,558.00, Sewer: \$55,788.00, Paving: \$376,200.00, Stormwater: \$194,635.00) is required for project management, material testing, and inspection and \$397,822.00 (Water: \$140,071.00, Sewer: \$28,176.00, Paving: \$175,510.00, Stormwater: \$54,065.00) is provided for project contingencies.

This project will have no impact on the Transportation & Public Works' or on the Water Departments' operating budgets when completed. The sanitary sewer component of this project is part of the Water Department's Sanitary Sewer Overflow Initiative Program. Approximately 6,600 linear feet of cast iron water pipe will be removed and replaced as part of this project.

The action in this M&C will amend TPW's contribution to the Fiscal Years 2023-2027 Capital Improvement Program as follows:

Capital Fund Name	Project Name	FY2023 CIP Appropriations	Budget Change Increase/Decrease	Revised FY23 Budget
2022 Bond Program - Fund 34027	Street Imprv- DeterioratingSts - PB0019	\$34,607,756.00	\$(4,061,905.00)	\$30,545,851.00
Stormwater Capital Projects - Fund 52002	Drainage Improvements Projects - P00043	\$2,517,440.00	\$330,000.00	\$1,187,440.00

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 M&C will appropriate funds in support of the Water's portion of the City of Fort Worth's Fiscal Years 2023-2027 Capital Improvement Program, as follows:

**2022 BOND YEAR 1 - CONTRACT 2 - MCCLENDON**

Capital Fund Name	Project Name	FY2023 CIP Appropriations	Authority	Budget Change Increase/Decrease	Revised FY2023 Budget
W&S Capital Projects - Fund 56002	102927 - 2022 Bond Year 1 - Contract 2		This M&C	\$3,582,761.00	\$3,582,761.00
2022 Bond Program - Fund 34027	102927 - 2022 Bond Year 1 - Contract 2		This M&C	\$4,061,905.00	\$4,061,905.00
Stormwater Capital Projects - Fund 52002	102927 - 2022 Bond Year 1 - Contract 2		This M&C	\$1,330,000.00	\$1,330,000.00

Funding is budgeted in the Transfer to Water/Sewer account of the Water and Sewer operating budget and in the Unspecified-All Funds project within the Water & Sewer Capital Projects Fund and in the Transportation & Public Works Department's Drainage Improvements programmable project & Unspecified-All Funds project within the Stormwater Capital Project Fund for the purpose of funding the 2022 Bond Year 1 – Contract 2 project.

Appropriations for the water, sanitary sewer and paving improvements for 2022 Bond Year 1 - Contract 2 project by Fund will consist of the following:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
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Street Improvement Cos Residuals Fund 39412	\$139,434.00	\$0.00	\$139,434.00
2007 Critical Capital Projects Fund 39001	\$156,750.00	\$0.00	\$156,750.00
2022 Bond Program - Fund 34027	\$0.00	\$4,061,905.00	\$4,061,905.00
Stormwater Capital Projects - Fund 52002	\$30,000.00	\$1,330,000.00	\$1,360,000.00
W&S Capital Projects - Fund 56002	\$190,282.00	\$3,582,761.00	\$3,773,043.00
<b>Project Total</b>	<b>\$516,466.00</b>	<b>\$8,974,666.00</b>	<b>\$9,491,132.00</b>

\*Numbers rounded for presentation purposes.

Business Equity: McClendon Construction Company, Inc., is in compliance with the City's Business Equity Ordinance by committing to 19 percent MWBE participation on this project. The City's MWBE goal on this project is 17 percent.

This project is included in the 2022 Bond Program. The City's Extendable Commercial Paper (ECP) (M&C 22-0607; Ordinance 25675-08-2022) provides liquidity to support the appropriation. Available resources will be used to actually make any interim progress payments until debt is issued. Once debt associated with a project is sold, debt proceeds will reimburse the interim financing source in accordance with the statement expressing official Intent to Reimburse that was adopted as part of the ordinance canvassing the bond election (Ordinance 25515-05-2022).

This project is located in COUNCIL DISTRICTS 8 and 11.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the current operating budget of the Water & Sewer Fund and in the Unspecified-All Funds project within the Water & Sewer Capital Projects Fund and upon the approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the current capital budgets, as appropriated, in the W&S Capital Projects, Stormwater Capital Projects and 2022 Bond Program Funds for the 2022 Bond Year 1 - Contract 2 project to support the approval of the above recommendations and execution of the construction contract. Prior to any expenditure being incurred, the Transportation & Public Works and Water Departments have the responsibility of verifying the availability of funds.

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

**Originating Business Unit Head:** Lauren Prieur 6035

**Additional Information Contact:** Monty Hall 8662