

Mayor and Council Communication

DATE: 10/15/24

M&C FILE NUMBER: M&C 24-0864

LOG NAME: 60EMWTP ONCOR SERVICE AGREEMENT

SUBJECT

(CD 7) Authorize Execution of a Discretionary Services Agreement with Oncor Electric Delivery Company LLC in the Amount of \$1,261,986.37 for the Installation of Electrical Infrastructure and Equipment for the Eagle Mountain Water Treatment Plant Generators and Emergency Preparation Plan Project and Adopt Appropriation Ordinance to Effect a Portion of the Water Department's Contribution to the Fiscal Years 2025-2029 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a Discretionary Service Agreement with Oncor Electric Delivery Company LLC in the amount of \$1,261,986.37 for the installation of electrical infrastructure and equipment at the Eagle Mountain Water Treatment Plant within the Water Treatment Plant Generators and Emergency Preparation Plan Project; and
2. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Water & Sewer Revenue Bond Series 2024 Fund by increasing estimated receipts and appropriations in the Westside Water Treatment Plant Generators and Emergency Preparation Plan Project (City Project No. 103410) in the amount of \$1,261,987.00 and decreasing estimated receipts and appropriations in the Commercial Paper Project (City Project No. UCMLPR) effecting a portion of the Water Department's contribution to the Fiscal Years 2025-2029 Capital Improvement Program.

DISCUSSION:

During the winter storm of February 2021, power outages affecting the distribution power feeds to the Eagle Mountain Water Treatment Plant (EMWTP) resulted in shut downs at the plant and issuance of a boil water notice for residents in north Fort Worth as well as some wholesale customers.

Following this event, numerous meetings held between Fort Worth Water Utility and Oncor staff determined the most effective manner to improve electrical reliability to the EMWTP was to install a new electrical substation supplied from the high voltage transmission lines located on the west perimeter of the EMWTP property. New electrical distribution lines located on plant property would then be installed connecting plant electrical metering to the new substation.

This Discretionary Services Agreement includes the infrastructure costs to install electrical conduit, conductors, duct banks, and switchgears necessary to feed the existing plant facilities from the new substation.

Installation of the substation and electrical infrastructure will increase the reliability of the water treatment facility in the event of inclement weather or power curtailments.

It is the practice of the Water Department to appropriate its CIP plan throughout the Fiscal Year (FY) 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 will appropriate funds in support of the Water Department's portion of the City of Fort Worth's Fiscal Year 2025-2029 Capital Improvement Program.

Funding for the WS Gen & Emer Prep Plan project is depicted below:

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Capital Fund Name	Project Name	FY2025 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2025 Budget
56022-W&S Rev Bonds Series 2024	103410-WS Gen & Emer Prep Plan	\$0.00	This M&C	\$1,261,987.00	\$1,261,987.00

Funding is budgeted in the Commercial Paper project within the W&S Rev Bonds Series 2024 Fund for the purpose of funding the WS Gen & Emer Prep Plan project.

Funding for the WS Gen & Emer Prep Plan project is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
Fund 56022 – W&S Rev Bonds Series 2024	\$15,126,762.00	\$1,261,987.00	\$16,388,749.00
Fund 53004 – Water/Sewer Gas Lease Cap Proj	\$4,850,000.00	\$0.00	\$4,850,000.00
W&S Capital Projects - Fund 56002	\$12,814,614.00	\$0.00	\$12,814,614.00
W&S Rev Bonds Series 2022 – Fund 56020	\$4,230,228.00	\$0.00	\$4,230,228.00
W&S Rev Bonds Series 2023 – Fund 56021	\$25,949,327.00	\$0.00	\$25,949,327.00
Project Total	\$62,970,931.00	\$1,261,987.00	\$64,232,918.00

*Numbers rounded for presentation purposes.

This Project is located in COUNCIL DISTRICT 7.

A Form 1295 is not required because: This contract will be with an electric utility: ONCOR Electric Delivery Company LLC

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Commercial Paper project within the W&S Rev Bonds Series 2024 Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the W&S Rev Bonds Series 2024 Fund for the WS Gen & Emer Prep Plan project to support the above recommendations and execution of the amendment. Prior to an expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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