

Mayor and Council Communication

DATE: 11/28/23

M&C FILE NUMBER: M&C 23-1021

LOG NAME: 60SSM517&WSMCMREPLACE - TNP

SUBJECT

(CD 7) Authorize Execution of an Engineering Agreement with Teague Nall & Perkins, Inc. in the Amount of \$1,126,385.00 for the White Settlement Meter Replacement and Sanitary Sewer Main M-517 Project, Adopt Resolution Expressing Official Intent to Reimburse Expenditures and Proceeds of Future Debt Project and Adopt Appropriation Ordinance to Effect a Portion of Water’s Contribution to Fiscal Years 2024-2028 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of an engineering agreement with Teague Nall & Perkins, Inc. in the amount of \$1,126,385.00 for White Settlement Meter Replacement and Sanitary Sewer Main M-517 project;
2. Adopt the attached resolution expressing Official Intent to Reimburse expenditures with proceeds of future enterprise fund debt for the White Settlement Meter Replacement and Sanitary Sewer Main M-517 project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in the White Settlement Meter Replacement and Sanitary Sewer Main M-517 project (City Project No. 104982) in the amount of \$1,455,835.00 and decreasing appropriations in the W&S Commercial Paper project (City Project No. UCMLPR) by the same amount, to effect a portion of Water’s contribution to the Fiscal Years 2024-2028 Capital Improvement Program.

DISCUSSION:

This Mayor and Council Communication (M&C) is to authorize a contract with Teague Nall & Perkins, Inc. in the amount of \$1,126,385.00 for the preparation of plans and specifications for Sanitary Sewer Main M-517 and White Settlement Wholesale Customer Meter Replacements to allow for construction of the project.

In addition to the contract amount, \$329,450.00 is required for project management, real property acquisitions, utility coordination, and material testing. This project will have no impact on the Water Department’s operating budget when completed.

This project is 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 debt is issued. Once debt associated with this project is sold, bond proceeds 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 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 2024-2028 Capital Improvement Program, as follows:

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Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2024 Budget
Fund 56022-W&S Commercial Paper	104982 - WS Meter Repl and SS Main	\$0.00	This M&C	\$1,455,835.00	\$1,455,835.00

Funding is budgeted in the Commercial Paper project within the W&S Commercial Paper Fund for the purpose of funding the WS Meter Repl and SS Main project.

Funding for the Sanitary Sewer Main M-517 and White Settlement Wholesale Customer Meter Replacements project depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
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Fund 56022-W&S Commercial Paper	\$0.00	\$1,455,835.00	\$1,455,835.00
Project Total	\$0.00	\$1,455,835.00	\$1,455,835.00

*Numbers rounded for presentation purposes.

BUSINESS EQUITY OFFICE: Teague Nall & Perkins, Inc. is in compliance with the City's Business Equity Ordinance by committing to 15 percent MWBE participation on this project. The City's MWBE goal on this project is 10 percent.

The project is located in COUNCIL DISTRICT 7.

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 upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the W&S Commercial Paper Fund for the WS Meter Repl. and SS Main project to support the above recommendations and execution of the agreement. Prior to any expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: Dana Burghdoff 8018

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Expedited