

# Mayor and Council Communication

DATE: 05/10/22

M&C FILE NUMBER: M&C 22-0357

LOG NAME: 60TRADITION OFFSITE SEWER CFA

**SUBJECT**

(CD 7) Authorize Execution of Community Facilities Agreement with HT Hwy 114 Land 2 LP with City Participation in the Amount Not to Exceed \$5,681,247.60, for Oversizing and Land Acquisition Cost for the Tradition Offsite Sanitary Sewer Main Located in North Fort Worth, and Adopt Attached Appropriation Ordinances 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 the execution of a community facilities agreement with HT Hwy 114 Land 2 LP with City participation in the amount not to exceed \$5,681,247.60 for oversizing and land acquisition cost for the Tradition offsite sanitary sewer main located in north Fort Worth;
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Sewer Capital Projects Fund, in the amount of \$5,790,000.00, from available funds, in the Community Facilities Agreement Bucket programmable project (City Project No.P00001), for the purpose of funding the Community Facilities Agreement – CFA Tradition Offsite Sewer project (City Project No.103493) and to effect a portion of Water’s contribution to the Fiscal Years 2022-2026 Capital Improvements Program; and
3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Sewer Capital Legacy Fund, in the amount of \$976,821.00, from available funds, in the Community Facilities Agreement Bucket programmable project (City Project No.P00001), for the purpose of funding the Community Facilities Agreement – CFA Tradition Offsite Sewer project (City Project No.103493) and to effect a portion of Water’s contribution to the Fiscal Years 2022-2026 Capital Improvements Program.

**DISCUSSION:**

HT Hwy 114 Land 2 LP (Developer) is constructing the Tradition development project located west of North Freeway and north of Highway 114. The City is participating in the project to oversize an east parallel offsite sewer main to provide additional capacity for future growth within the basin. The construction and land acquisition cost for the project is estimated to be allocated at 25.8% for the Developer and 74.2% for the City. Tradition Offsite Sewer project is assigned City Project No. 103493 and Accela System Record IPRC21-0083.

The project has been publicly bid. 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 \$5,681,274.60 as shown in the table below. Payments to the Developer are estimated to be \$5,427,730.00 for construction costs, \$90,905.99 for land acquisition, \$46,375.00 for construction inspection service fees, \$7,089.81 for administrative material testing fees, \$108,554.60 for material testing cost and \$619.20 for IPRC engineering plan review fees. The remaining City participation in the estimated amount of \$1,085,546.00 are contingency funds that will cover the City’s portion of any change orders.

The following table shows the cost sharing breakdown for the project between all parties:

A. Public Improvements	Developer Cost	City Cost	Total Cost
1. Sewer	\$1,887,270.00	\$5,427,730.00	\$7,315,000.00
Contingency 20%	\$0.00	\$1,085,546.00	\$1,085,546.00
B. Inspections & Testing			
1. Construction Inspection Fee	\$16,125.00	\$46,375.00	\$62,500.00
2. Admin Material Testing Fee	\$2,465.19	\$7,089.81	\$9,555.00

3. Material Testing Cost	\$0.00	\$108,554.60	\$108,554.60
4. Water Lab Fee	\$0.00	\$0.00	\$0.00
C. IPRC Plan Review Fees	\$5,572.80	\$619.20	\$6,192.00
D. Land Acquisitions	\$31,608.82	\$90,905.99	\$122,514.81
Total Project Cost	\$1,943,041.81	\$6,766,820.60	\$8,709,862.41

\*Numbers will be rounded up for accounting purposes.

The reimbursement of the City 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 Department's portion of the City of Fort Worth's Fiscal Years 2022-2026 Capital Improvements Program, as follows:

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
			This M&C	\$6,776,821.00	\$6,776,821.00

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
<b>Total P00001-CFW Bucket Appropriations</b>		<b>\$7,100,000.00</b>		<b>\$8,771,973.00</b>	<b>\$15,871,973.00</b>

Funding for the Community Facility Agreement (CFA) – Tradition offsite sewer as depicted in the table below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
Water & Sewer Bond 2016 Fund 56005	\$180,752.00	\$6,776,821.00	\$6,947,573.00
Total Project	\$180,752.00	\$6,776,821.00	\$6,947,573.00

\*Numbers rounded for presentation purposes.

Funding is currently available in the Unspecified-All Funds project within the Sewer Capital Fund for the purpose of funding the CFA - Tradition 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 project is located in COUNCIL DISTRICT 7

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the Unspecified - All Funds project within the Sewer Capital Projects Fund and Sewer Capital Legacy Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the Sewer Capital Projects Fund and Sewer Capital Legacy 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.

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

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Expedited