

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 04/23/24M&C FILE NUMBER: M&C 24-0366

LOG NAME: 60SDWMERRC2021R2-TEJASC

SUBJECT

(ALL) Adopt Appropriation Ordinance in the Amount of \$900,000.00 to Fund the Second Renewal with Tejas Commercial Construction, LLC, for Small Diameter Water Main Extensions, Replacements, and Relocations Contract 2021 to Effect a Portion of Water’s Contribution to the Fiscal Years 2024-2028 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$900,000.00, from available PAYGO residuals, for the purpose of funding Small Diameter Water Main Extensions, Replacements and Relocations Contract 2021 project (City Project No. 103388) and to effect a portion of Water’s contribution to the Fiscal Years 2024-2028 Capital Improvement Program.

DISCUSSION:

On November 9, 2021, Mayor and Council Communication (M&C) 21-0871, the City Council authorized execution of a contract in the amount of \$750,000.00, for the Small Diameter Water Main Extensions, Replacements, and Relocations Contract 2021 (City Secretary Contract No. 57137) and provided for the option of two renewals.

The first renewal of the contract was subsequently authorized on June 27, 2023 (M&C 23-0527). The City and the contractor desire to exercise the second renewal of the contract in the amount of \$750,000.00. This M&C will appropriate the funding of the second renewal, plus staff costs.

The work to be performed under this contract consists of extending, replacing, and/or relocating small diameter mains, service lines, and other pertinent construction required to upgrade existing small diameter water mains or as required to provide water service to individual customers or developers. While funding for this project comes from the Water and Sewer Capital Projects Fund, the Water Department issues work orders to the contractor after payment of applicable estimated costs by the customer and/or developer.

In addition to the contract amount, \$150,000.00 is required for project management, material testing, inspection, and real property acquisition.

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.

This project will have no impact on the Water Department’s operating budget when completed.

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Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2024 Budget
Fund 56002 – W&S Capital Projects	103388 – Small Diameter WM REPL (2021)	\$0.00	This M&C	\$900,000.00	\$900,000.00

Funding is budgeted in the Unspecified-All Funds project within the Water & Sewer Capital Projects Fund for the purpose of funding the Small Diameter WM REPL (2021) project.

Appropriations for the Small Diameter Water Main Extensions, Replacements, and Relocations Contract 2021 for various locations throughout the City are depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W & S Capital Projects - Fund 56002	\$1,850,000.00	\$900,000.00	\$2,750,000.00

