

Mayor and Council Communication

DATE: 12/12/23

M&C FILE NUMBER: M&C 23-1074

LOG NAME: 60NSIII48INWTMAS-KHA

SUBJECT

(CD 7, CD 10 and ETJ) Authorize Execution of an Engineering Agreement with Kimley- Horn and Associates, Inc. in the Amount of \$1,928,983.00 for Alignment Study and Sixty Percent Design of the Northside III 48-inch Water Transmission Main Alignment Study & Land Project, Provide for Project Costs for a Total Project Amount of \$3,349,770.00, Adopt Resolution Expressing Official Intent to Reimburse Expenditures and Proceeds of Future Debt and Adopt Appropriation Ordinance 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:

1. Authorize execution of an Engineering Agreement with Kimley- Horn and Associates, Inc., in the amount of \$1,928,983.00 for the Northside III 48-inch Water Transmission Main & Land project (City Project No. 104940);
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds of future debt for Alignment Study and Sixty Percent Design Northside III 48-inch Water Transmission Main & Land project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in Alignment Study and Sixty Percent Design Northside III 48-inch Water Transmission Main & Land project (City Project No. 104940) in the amount of \$3,349,770.00 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 engineering services for the Alignment Study and Sixty Percent Design for Northside III 48-inch Water Transmission Main & Land project. The proposed water transmission main will extend from the Eagle Mountain Water Treatment plant to the existing 36-inch Northside III Water Main at Willow Springs Road at the Blue Mound Road West Intersection. The selected alignment and subsequent sixty percent design will allow for early easement acquisitions within which to install the water main in the future full development of the area. The proposed water transmission main will provide increased reliability for increasing and future growth and demand in the far North area of Fort Worth.

The scope of services to be provided consists of an alignment study, hydraulic analysis, the preparation of sixty percent design plans and specification for the selected alignment, design survey, geotechnical investigations, title survey, easement document preparation, coordination with various agencies, and permit applications. In addition, final plans and specifications along with construction phase services will be provided for the 17,900 foot segment (Phase I) of the selected alignment from Park Drive to the Eagle Mountain Water Treatment Plant to allow for increased pumping efficiency for future expansion of the treatment plant.

Kimley- Horn and Associates, Inc., proposes to provide the necessary services for a fee not to exceed \$1,928,983.00. Staff considers the proposed fee to be fair and reasonable for the scope of services proposed.

In addition to the contract amount, \$1,420,787.00 is required for project management, real property acquisitions and material testing.

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.

Funding for the Alignment Study and Sixty Percent Design for the Northside III 48-inch Water Transmission Main & Land project is depicted below:

Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/ Decrease)	Revised FY2024 Budget
56022 – W&S Commercial Paper Fund	104940 - NS III 48 WTM Align Study & Land	\$0.00	This M&C	\$3,349,770.00	\$3,349,770.00

Funding for the Alignment Study and Sixty Percent Design for the Northside III 48-inch Water Transmission Main & Land project is depicted below:

W&S Commercial Paper– Fund 56022

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Commercial Paper– Fund 56022	\$0.00	\$3,349,770.00	\$3,349,770.00
Project Total	\$0.00	\$3,349,770.00	\$3,349,770.00

*Numbers rounded for presentation purposes.

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 to reimburse itself from tax-exempt bond proceeds.

This project will have no impact on the Water Department's operating budget when complete.

Business Equity: Kimley- Horn and Associates, Inc., is in compliance with City's Business Equity Ordinance by committing to 32 percent Business Equity participation. The City's Business Equity goal on this project is 13 percent.

The project is located in COUNCIL DISTRICTS 7, 10 and ETJ.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently 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 NSIII48 WTM Align Study & Land project to support the above recommendations and execution of the contract. Prior to an expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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Expedited