

Mayor and Council Communication

DATE: 02/22/22

M&C FILE NUMBER: M&C 22-0130

LOG NAME: 60WSIIIGST&WSIVWSVPS- CRESCENT & KHA

SUBJECT

(CD 3) Authorize Execution of Amendment No. 1 in the Amount of \$297,400.00 to an Engineering Agreement with Kimley-Horn Associates, Inc., for Westside III Ground Storage Tank and West IV and V Pump Station (Markum Ranch Pump Station and Ground Storage Tank), Authorize Execution of a Contract with Crescent Constructors, Inc. in the Amount of \$20,993,000.00 for Westside III Ground Storage Tank and West IV and V Pump Station (Markum Ranch Pump Station and Ground Storage Tank), Provide for Project Costs for Total Project Costs in the Amount of \$22,097,691.00, Appropriate this Funding as a Portion of Water's Contribution to the Fiscal Years 2022-2026 Capital Improvement Program, Adopt Attached Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt, and Adopt Attached Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the execution of Amendment No. 1 to City Secretary Contract No. 55295 in the amount of \$297,400.00, an Engineering Agreement with Kimley-Horn Associates, Inc., for construction support services for Westside III Ground Storage Tank and West IV and V Pump Station (Markum Ranch Pump Station and Ground Storage Tank) project for a revised contract amount of \$1,540,204.00;
2. Authorize execution of a contract with Crescent Constructors, Inc. in the amount of \$20,993,000.00 for the Westside III Ground Storage Tank and West IV and V Pump Station (Markum Ranch Pump Station and Ground Storage Tank) project;
3. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for the Westside III Ground Storage Tank and West IV and V Pump Station (Markum Ranch Pump Station and Ground Storage Tank) project;
4. Adopt the attached appropriation ordinance adjusting appropriations in the Water and Sewer commercial Paper Fund by increasing appropriations in the amount of \$22,097,691.00 in the Westside III Ground Storage Tank and West IV and V Pump Station (Markum Ranch Pump Station and Ground Storage Tank) project (City Project No. 103010) and decreasing appropriations in the Unspecified project (City Project No. UNSPEC) by the same amount; and
5. Appropriate this Project as a Portion of Water's Contribution to the Fiscal Years 2022-2026 Capital Improvement Program.

DISCUSSION:

On January 12, 2021 Mayor and Council Communication (M&C) 21-0058, the City Council authorized an engineering agreement with Kimley-Horn Associates, Inc., (City Secretary Contract No. 55295), in the amount of \$1,242,804.00 to evaluate and design the Westside III Ground Storage Tank and West IV and V Pump Station (Markum Ranch Pump Station and Ground Storage Tank).

As part of Amendment No. 1, the Engineer will perform construction inspection, observation and necessary support services for construction of Markum Ranch Pump Station and Ground Storage Tank project that includes site and contractor work observation, pay application review and recommendation, City and Contractor coordination, and punch list walk through.

Construction of the project was advertised for bid on December 9 and 16, 2021, in the *Fort Worth Star-Telegram*. On January 13, 2022, the following bids were received:

Bidder	Base Bid	Contract Time
Crescent Constructors, Inc.	\$20,993,000.00	640 Calendar Days
Eagle Contracting, LP	\$22,386,000.00	
Archer Western Construction, LLC	\$22,658,975.00	
Bar Contractors, Inc.	\$22,804,500.00	
Felix Construction	\$23,070,000.00	
Gracon Construction, Inc.	\$26,698,000.00	

In addition to the contract cost, \$387,431.00 is required for project management and inspection and \$419,860.00 is provided for project contingency.

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

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 as projects commence, additional funding needs are identified, and to comply with bond covenants.

Capital Fund Name	Project Name	FY2022 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2022 Budget
56020-W&S Commercial Paper	103010-WS III GST & WS IV/V Pump Sta	\$ -	This m&c	\$22,097,691.00	\$22,097,691.00

Funding for the WS III GST & WS IV/V Pump Station project is depicted below:

FUND	Existing Appropriations	Additional Appropriations	Project Total*
Water Impact Fee-Fund 56003	1,556,929.00	\$0.00	\$1,556,929.00
W&S Commercial Paper Fund 56020	\$0.00	\$22,097,691.00	\$22,097,691.00
Project Total	\$1,556,929.00	\$22,097,691.00	\$23,654,620.00

*Numbers rounded for presentation purposes.

Business Equity - Crescent Constructors, Inc. is in compliance with City's Business Equity Ordinance by committing to eight percent Business Equity participation on this project. The City's Business Equity goal on this project is seven percent.

Business Equity - Kimley-Horn Associates, Inc. submitted a Prime Waiver form and will "self-perform" the work and will be accountable for performing 100 percent of the work and cannot sub any of the work described in this amendment.

The project is located in COUNCIL DISTRICT 3.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the UNSPEC 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 III GST & WS IV/V Pump Sta project to support the execution of the amendment to the engineering contract and the construction contract. 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

Originating Business Unit Head: Chris Harder 5020

Additional Information Contact: Farida Goderya 8214

Expedited