

City of Fort Worth, Texas

# Mayor and Council Communication

DATE: 08/23/22 M&C FILE NUMBER: M&C 22-0648

LOG NAME: 60CTR WATER LINE OVERSIZING

SUBJECT

(CD 6) Authorize Execution of Community Facilities Agreement with Meritage Homes of Texas, LLC with City Participation in the Amount Not to Exceed \$537,991.70 for Oversizing a 8-Inch Water Main to a 24-Inch Water Main Located in Southwest Fort Worth

RECOMMENDATION:

It is recommended that the City Council authorize the execution of a community facilities agreement with Meritage Homes of Texas, LLC with City participation in the amount not to exceed \$537,991.70 for oversizing a 8-Inch water main to a 24-inch water main located in southwest Fort Worth.

DISCUSSION:

Meritage Homes of Texas, LLC (Developer) is constructing the Chisholm Trail Ranch phase 1A development project located west of Chisholm Trail Parkway and south of McPherson Boulevard. The developer is responsible for constructing approximately 1,520 linear feet of 8-inch water line for the development. The Water Department is seeking to participate in the project to oversize the water line to a 24-inch water main and to oversize the 24-inch water main by extending it an additional 360 linear feet for anticipated future growth in the area. The cost of the water main segment adjacent to Phase 1A of the development is allocated at 92.1% for the Developer and 7.9% for the City. The City will be responsible for 100% of the cost for the additional 360 linear feet. Chisholm Trail Ranch Phase 1A project is assigned City Project No. 103826 and Accela System Record IPRC22-0055.

In accordance with Chapter 212, Subchapter C of the Texas Local Government Code, the City's participation in the contract is exempt from competitive bidding requirements because the contract is for oversizing public improvements being constructed by the Developer, the Developer will execute a performance bond to cover the total project cost, including all of the City's cost participation, and the City's cost participation will be determined in accordance with the City's community facilities agreement (CFA) unit price ordinance.

The City's cost participation in oversizing of the water main is estimated to be in an amount not to exceed \$537,991.70 as shown in the table below. Payments to the Developer are estimated to be \$490,780.14 for construction costs, \$32,561.96 for design services, and \$9,815.60 for material testing costs. The City's cost participation also includes \$4,834.00 to cover the City's portion of construction inspection service fees, administrative material testing service fees, and water lab testing fees. An additional \$98,156.03 in contingency funds 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. 24" WL Construction	Developer Cost	City Cost	Total Cost
1. Water	\$1,062,995.86	\$490,780.14	\$1,553,776.00
2. Sewer	\$1,247,645.00	\$0.00	\$1,247,645.00
Water Contingency 20%	\$0.00	\$98,156.03	\$98,156.03
3. Drainage	\$2,317,619.00	\$0.00	\$2,317,619.00
4. Paving	\$1,927,917.50	\$0.00	\$1,927,917.50
5. Street Lights	\$193,450.00	\$0.00	\$193,450.00
B. Inspections & Testing			
1. Construction Inspection Fee	\$74,500.00	\$3,750.00	\$78,250.00

2. Admin Material Testing Fee	\$23,226.00	\$784.00	\$24,010.00
3. Water Lab Fee	\$1,740.00	\$300.00	\$2,040.00
4. Material Testing Cost	\$0.00	\$9,815.60	\$9,815.60
C. Design Services Cost	\$2,793.05	\$32,561.96	\$35,355.00
Total Project Cost	\$6,851,886.41	\$636,147.73	\$7,488,034.14

\*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.

Funding is budgeted in the Water Department's Water & Sewer Bond 2017A Fund for the purpose of funding the CFA-Chisholm Tr. Ranch S3 Ph1A project, as appropriated.

BUSINESS EQUITY – A goal is not required under Business Equity Ordinance 25165-10-2021 when City spending participation on Community Facilities Agreements are less than \$1,000,000.00 dollars.

This project is located in COUNCIL DISTRICT 6

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendation and execution of the contract, funds are available in the current capital budget, as appropriated, in the Water & Sewer Bond 2017A Fund CFA – Chisholm Tr. Ranch S3 Ph1A project. 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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