

# Mayor and Council Communication

DATE: 08/23/22

M&amp;C FILE NUMBER: M&amp;C 22-0650

LOG NAME: 60M210P5-CIRCLEC

## SUBJECT

(CD 3) Authorize Execution of a Contract with William J Schultz, Inc. dba Circle C Construction Company, in the Amount of \$5,462,235.00 for the M-210 Mockingbird Colonial Country Club Project, Adopt Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt, and Adopt 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 execution of a contract with William J Schultz, Inc. dba Circle C Construction Company, in the amount of \$5,462,235.00 for the M-210 Mockingbird Colonial Country Club project;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for M-210 Mockingbird Colonial Country Club project;
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in the M-210 Mockingbird Colonial Country Club project (City Project No. 103389) in the amount of \$5,553,322.00 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 2022-2026 Capital Improvement Program;
4. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the General Capital Projects Fund, by increasing estimated receipts and appropriations in the M-210 Mockingbird Colonial Country Club project (City Project No. 103389) in the amount of \$539,672.00, and decreasing estimated receipts and appropriations in the Contract Street Maintenance programmable project (City Project No. P00020) by the same amount; and
5. Amend TPW's Contribution to the Fiscal Years 2022-2026 Capital Improvement Program.

## DISCUSSION:

This Mayor and Council Communication (M&C) is to authorize a contract for the replacement of deteriorated water and/or sanitary sewer mains for M-210 Mockingbird Colonial Country Club (Clear Fork Drainage Basin M-210 Sanitary Sewer Improvements, Part 5) in the vicinity of Colonial Country Club as indicated on the following streets:

Street	From	To	Scope of Work
Mockingbird Lane	Simondale Drive/Mockingbird Lane intersection	Westerly 1,650 feet	Water/Sewer
Mockingbird Court	Mockingbird Lane	Cul-de-Sac	Water/Sewer
Hartwood Drive	Mockingbird Lane	Southerly 160 feet	Water

Additionally, asphalt pavement rehabilitation will be conducted on streets subsequent to the water and sanitary sewer main replacement. The Transportation & Public Works Department's share of this contract is \$452,175.00 and the Water Department's share of the contract is \$5,010,060.00.

The project was advertised for bids on March 17, 2022, and March 24, 2022, in the *Fort Worth Star-Telegram*. On May 5, 2022, the following bids were received:

Bidder	Amount	Time of Completion
William J Schultz, Inc. dba Circle C Construction Company	\$5,462,235.00	380 Calendar Days
S.J. Louis Construction of Texas, LTD	\$7,902,615.17	

In addition to the contract amount, \$335,038.00 (Water: \$102,578.00; Sewer: \$190,181.00; Paving: \$42,279.00) is required for project management, material testing and inspection, and \$295,721.00 (Water: \$75,731.00; Sewer: \$174,772.00; Paving: \$45,218.00) is provided for project contingencies. The sanitary sewer component of this project is part of the Water Department's Sanitary Sewer Overflow Initiative Program. Additionally, approximately 2,017 linear feet of cast iron water pipe will be removed and replaced as part of this project. Construction is

anticipated to begin in October 2022 and be completed by November 2023.

This project will have no impact on the Transportation & Public Works' or the Water Department's operating budgets when completed.

The action in this M&C will amend TPW's contribution to the Fiscal Years 2022-2026 Capital Improvement Program as approved in connection with Ordinance 25073-09-2021, Section 6. Capital Improvements, page 23, as follows:

Capital Fund Name	Project Name	FY2022 CIP Appropriations	Authority	FY2022 CIP Appropriations	Revised FY2022 Budget
30100 - General	P00020 Contract Street Maintenance	\$20,441,000.00	M&C 21-0827	\$(1,056,034.00)	\$19,390,966.00
			M&C 22-0036	\$(311,148.00)	\$19,079,818.00
			M&C 22-0127	\$(603,254.00)	\$18,476,564.00
			This M&C	\$(539,672.00)	\$17,936,892.00

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 2022-2026 Capital Improvement Program, as follows:

Capital Fund Name	Project Name	FY2022 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2022 Budget
56021 – W&S Commercial Paper Fund	103389 – M-210 Mockingbird Colonial CC	\$0.00	This M&C	\$5,553,322.00	\$5,553,322.00

Funding is budgeted in the UCMLPR project within the W&S Commercial Paper Fund and the General Capital Projects Fund for the purpose of funding the M-210 Mockingbird Colonial Country Club project.

Appropriations for the M-210, Part 5 Sanitary Sewer Improvements project are as depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Commercial Paper Fund - 56021	\$0.00	\$5,553,322.00	\$5,553,322.00
General Capital Projects Fund 30100	\$0.00	\$539,672.00	\$539,672.00
Project Total	\$0.00	\$6,092,994.00	\$6,092,994.00

\*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.

Business Equity: William J. Schultz, Inc. dba Circle C Construction Company, is in compliance with the City's Business Equity Ordinance by committing to eight percent Business Equity participation and documenting good faith effort. William J. Schultz, Inc. dba Circle C Construction Company, Inc. identified several subcontracting and supplier opportunities. However, the firms contacted in the areas identified did not respond or did not submit the lowest bids. The City's Business Equity goal for this project is 17 percent.

The project is located in COUNCIL DISTRICT 3.

## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the UCMLPR project within the W&S Commercial Paper Fund and the General Capital Projects Fund, and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the W&S Commercial Paper Fund and the General Capital Projects Fund for the M-210 Mockingbird Colonial CC project to support the approval of the above recommendations and execution of the contract. Prior to any expenditure being incurred, the Water and Transportation & Public Works Departments have 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:**                    Liam Conlon            6824