

# Mayor and Council Communication

**DATE:** 09/27/22

**M&C FILE NUMBER:** M&C 22-0784

**LOG NAME:** 60LALSGMS-SJLOUIS

**SUBJECT**

(CD 5) Authorize Execution of a Contract with S.J. Louis Construction of Texas, Ltd. in the Amount of \$16,553,540.11 for Village Creek Lift Station Gravity Sewer Mains (Lake Arlington Lift Station Upstream and Downstream Parallel Relief Sanitary Sewer Gravity Mains), Adopt Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt, and Adopt Appropriation Ordinance 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 S.J. Louis Construction of Texas, Ltd. in the amount of \$16,553,540.11 for the Village Creek Lift Station Gravity Sewer Mains (Lake Arlington Lift Station Upstream and Downstream Parallel Relief Sanitary Sewer Gravity Mains) project;
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds from future debt for the Village Creek Lift Station Gravity Sewer Mains (Lake Arlington Lift Station Upstream and Downstream Parallel Relief Sanitary Sewer Gravity Mains) project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the W&S Commercial Paper Fund by increasing appropriations in the Village Creek Lift Station Gravity Sewer Mains (Lake Arlington Lift Station Upstream and Downstream Parallel Relief Sanitary Sewer Gravity Mains) project (City Project No. 101311) in the amount of \$17,570,327.00 and decreasing appropriations in the W&S Commercial Paper (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.

**DISCUSSION:**

This Mayor and Council Communication (M&C) is to authorize a construction contract with S.J. Louis Construction of Texas, Ltd. and appropriate funding for Village Creek Lift Station Gravity Sewer Mains (Lake Arlington Lift Station Upstream and Downstream Parallel Relief Sanitary Sewer Gravity Mains) project located in the Carver Heights east neighborhood.

The upstream gravity main will extend from an upstream connection point on Sanitary Sewer Main M-257, Part 2 to a junction box at the Lake Arlington Lift Station and the downstream gravity main from the downstream connection point of the Lake Arlington Force Main to the existing 60-inch sanitary sewer main located near the Cook's Lane/ Lancaster Avenue intersection.

The project was advertised for bid on July 21, 2022 and July 28, 2022 in the *Fort Worth Star-Telegram*. On August 13, 2022 the following bids were received:

Bidder	Amount		Contract Time
	Total A (Base Bid & Concrete Manhole) Amount	*Total B (Base Bid & Polymer Manhole) Amount	
<b>S.J. Louis Construction of Texas, Ltd.</b>	<b>\$16,571,508.11</b>	<b>\$16,553,540.11</b>	<b>450 Calendar Days</b>
William J Schultz, Inc. dba Circle C Construction Company	\$16,743,864.00	\$16,933,516.00	
McKee Utility Constructors, Inc.	\$16,873,439.00	\$17,329,301.00	
Mountain Cascade of Texas, LLC	\$17,944,102.00	\$17,935,992.00	

\*Staff recommends approval of the low bid received for Total B due to the longer life span and reduced maintenance costs of polymer concrete manholes.

In addition to the contract cost, \$768,483.89 is required for project management and inspection and \$248,303.00 is provided for project contingency.

This project will have no impact on the Water Department's operating budget when complete. This project is part of the Water Department's Sanitary Sewer Overflow Initiative Program.

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 amend the City of Fort Worth's Fiscal Year 2022-2026 Capital Improvement Program as follows:

**60LALSGMS -SJLOUIS**

Capital Fund Name	Project Name	FY2022 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2022 Budget
56021 - W&S Commercial Paper	101311 - VC LS Gravity Sewer Mains	\$0.00	This M&C	\$17,570,327.00	\$17,570,327.00

Funding for the Lake Arlington Lift Station Upstream and Downstream Parallel Relief Sanitary Sewer Gravity Mains project is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Proj 2018 - Fund 56014	\$1,620,280.00	\$0.00	\$1,620,280.00
W&S Commercial Paper Fund 56021	\$0.00	\$17,570,327.00	\$17,570,327.00
<b>Project Total</b>	<b>\$1,620,280.00</b>	<b>\$17,570,327.00</b>	<b>\$19,190,607.00</b>

**\*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 of the City to reimburse itself from tax-exempt bond proceeds.

Business Equity - S.J. Louis Construction of Texas, Ltd. is in compliance with City's Business Equity Ordinance by committing to 14 percent Business Equity participation on this project. The City's Business Equity goal on this project is 14 percent.

The project is located in COUNCIL DISTRICT 5.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are currently available in the UCMLPR 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 VC LS Gravity Sewer Mains project to support the execution of 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

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Expedited