

Mayor and Council Communication

DATE: 11/14/23

M&C FILE NUMBER: M&C 23-0974

LOG NAME: 60ONCOR SERVICE AGREEMENT NHWTP

SUBJECT

(CD 9) Authorize Execution of Service Agreement with ONCOR Electric Delivery Company, LLC. in the Amount of \$437,250.00 for the Modification of the Middle Holly Electrical Service at the North Holly Water Treatment Plant 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 a Service Agreement with Oncor Electric Delivery Company, LLC, (ONCOR) in the amount of \$437,250.00 for the modification of the Middle Holly Electrical Service for the Westside Water Treatment Plant Generators and Emergency Preparation Plan project for power generation at the North Holly Water Treatment Plant (City Project No. 103410); and
2. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the Water & Sewer Revenue Bond Series 2022 Fund by increasing estimated receipts and appropriations in the Westside Water Treatment Plant Generators and Emergency Preparation Plan project for Power Generation at the North Holly Water Treatment Plant (City Project No. 103410) in the amount of \$437,250.00 and decreasing estimated receipts and appropriations in the Unspecified-All Funds project (City Project No. UNSPEC) and effect a portion of Water's contribution to the Fiscal Years 2024-2028 Capital Improvement Program.

DISCUSSION:

The February 2021 Deep Freeze caused power failures to Eagle Mountain Water Treatment Plant (EMWTP), the Westside Water Treatment Plant (WSWTP) and affected the North and South Holly Water Treatment Plants, along with power supply and freezing issues at some pump stations. In response to the power outages, the Water Department implemented a series of projects to minimize the effects of future power failures and/or freezing temperatures on Water Facilities. In addition, during the 2021 legislative session, the State of Texas enacted a law, Senate Bill 3 (SB3), requiring the submittal of an Emergency Preparedness Plan by March 1, 2022.

On June 22, 2021, Mayor and Council Communication (M&C) 21-0480 authorized an engineering agreement with Freese and Nichols, Inc. (City Secretary Contract No. 55946) in the amount of \$1,215,325.00 for the Westside Water Treatment Plant Generators and Emergency Preparation Plan project for Power Generation at the North and South Holly Water Treatment Plants.

The agreement was subsequently revised by Amendment No. 1 in the amount of \$17,802.00, administratively authorized November 4, 2021, to provide for additional coordination and review of ONCOR's design load sheet for an electrical service connection on the west property line of the Eagle Mountain Water Treatment Plant, Amendment No. 2 in the amount of \$1,585,391.00 (M&C 22-0101, February 8, 2022) to provide for design, bid, and construction phase services for backup power including electrical switchgear and generators in order to maintain functionality of these assets in the event of future deep freezes at the following Water Department pump stations: Alta Mesa, Edwards Ranch, Eastside and Como. The amendment also allowed for construction assistance services for the installation of Westside Water Treatment Plant Backup Generators project, Amendment No. 3 in the amount of \$1,845,867.00 (M&C 22-0595, August 9, 2022) provided for design, bid, and construction phase services for the installation of emergency back-up power consisting of generators and electrical switchgear at the North and South Holly Water Treatment plants. The scope of services included the sizing and siting of the generators and all electrical gear necessary for support, site improvements including grading and fencing/security and construction assistance services and Amendment No. 4 in the amount of \$887,262.00 (M&C 23-0500, June 13, 2023) provided for construction management and inspection services during installation of back-up generators for the four pump stations and at the North and South Holly Water Treatment Plants. M&C 23-0500, also authorized the execution of a contract with Winston Electric, Inc. dba ACME Electric Company in the amount of \$23,119,632.00 for the Westside Water Treatment Plant Generators and Emergency Preparation Plan for Power Generation at the North and South Holly Water Treatment Plants project.

The final design of the emergency back-up generators and electrical switchgear at the North and South Holly Water Treatment plants requires a modification of the Middle Holly Electrical Service by ONCOR. With this service agreement, ONCOR will install a new primary metering unit (PMU), Vista Gear and associated electrical switchgear and infrastructure necessary to retrofit the Middle Holly electrical service necessary to incorporate backup generation facilities and electrical switchgear designed for backup power to the Holly Water Treatment Plants.

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 2024-2028 Capital Improvement Program as follows:

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Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2024 Budget
W&S Rev Bonds Series 2022 - Fund 56020	103410 - WS Gen & Emer Prep Plan	\$0.00	This M&C	\$437,250.00	\$437,250.00

Funding is available in the Unspecified-All Funds project within the Water & Sewer Revenue Bonds Series 2022 Fund for the purpose of funding the Westside Generator and Emergency Preparation Plan project.

Funding for the project is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Project Fund 56002	\$12,814,614.00	\$0.00	\$12,814,614.00
W&S Rev Bonds Series 2022 - Fund 56020	\$3,792,978.00	\$437,250.00	\$4,230,228.00
W&S Rev Bonds Series 2023 - Fund 56021	\$25,949,327.00	\$0.00	\$25,949,327.00
Project Total	\$42,556,919.00	\$437,250.00	\$42,994,169.00

*Numbers rounded for presentation purposes.

The project is located in COUNCIL DISTRICT 9.

A Form 1295 is not required because: This contract will be with an electric utility: Oncor

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Unspecified-All Funds project within the W&S Rev Bonds Series 2022 Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the W&S Rev Bonds Series 2022 for the WS Gen & Emer Prep Plan project to support the above recommendations and execution of the contract. Prior to any expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

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