

Mayor and Council Communication

DATE: 01/30/24

M&C FILE NUMBER: M&C 24-0101

LOG NAME: 60RSLSANDSSFMA1-BGE

SUBJECT

(CD 6) Authorize Execution of Amendment No. 1 to an Engineering Agreement with BGE, Inc., in the Amount of \$116,345.00, for Richardson Slough Lift Station Modifications and 20-inch Sanitary Sewer Main Project, Adopt Resolution Expressing Official Intent to Reimburse Expenditures and Proceeds of Future Debt, 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 Amendment No. 1 to City Secretary Contract No. 58276 in the amount of \$116,345.00, an engineering agreement with BGE, Inc. for Richardson Slough Lift Station Modifications and 20-inch Sanitary Sewer Main project for a revised contract amount of \$477,575.00;
2. Adopt the attached resolution expressing Official Intent to Reimburse expenditures with proceeds of future debt for Richardson Slough Lift Station Modifications and 20-inch Sanitary Sewer Main Project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in the Richardson Slough Lift Station Modifications and 20-inch Sanitary Sewer Main project (City Project No. 103514) in the amount of \$191,345.00, 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 2024-2028 Capital Improvement Program.

DISCUSSION:

On August 9, 2022, Mayor and Council Communication (M&C 22-0594) authorized an engineering agreement with BGE, Inc., (City Secretary Contract No. 58276), in the amount of \$361,230.00 for the Richardson Slough Lift Station Modifications and 20-inch Sanitary Sewer Main project.

Amendment No. 1 will provide the necessary design services for the installation of a 24-inch water main to connect proposed improvements along Old Granbury Road to future Bryant Irvin Road as shown on the attached location map.

In addition to the contract cost, \$75,000.00 is required for project management, real property and material testing. This project will have no impact on the Water Department operating budget when complete.

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.

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.

The actions in the M&C will amend the City of Fort Worth’s Fiscal Year 2024-2028 Capital Improvement Program as follows:

60RSLSANDSSFMA1 – BGE

Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/Decrease)	Revised FY2024 Budget
56022 – W&S Commercial Paper Fund	103514 - R-Slough 20in SS Force Main	\$0.00	This M&C	\$191,345.00	\$191,345.00

Funding for the R Slough 20in SS Force Main project is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Commercial Paper Fund 56022	\$0.00	\$191,345.00	\$191,345.00
Sewer Impact Fee – Fund 57003	\$556,310.00	\$0.00	\$556,310.00
Project Total	\$556,310.00	\$191,345.00	\$747,655.00

*Numbers rounded for presentation purposes.

Funding is available in the Water Department's Commercial Paper project within the W&S Commercial Paper Fund for the purpose of funding the R Slough 20in SS Force Main Project.

Business Equity: BGE, Inc. is in compliance with the City's Business Equity Ordinance by committing to 12 percent MWBE participation on this project. The City's MWBE goal on this project is eight percent.

The project is located in COUNCIL DISTRICT 6.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in 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 R Slough 20in SS Force Main 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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