

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 02/27/24 M&C FILE NUMBER: M&C 24-0172

LOG NAME: 60EAGLEMWTPEXP-CDM

SUBJECT

(CD 7) Authorize Execution of an Engineering Agreement with CDM Smith, Inc. in the Amount of \$3,695,990.00 for the Preliminary Design of the Eagle Mountain Water Treatment Plant 35 Million Gallons Per Day Expansion, 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 an Engineering Agreement with CDM Smith, Inc. in the amount of \$3,695,990.00 for the Preliminary Design of Eagle Mountain Water Treatment Plant 35 Million Gallons Per Day Expansion (City Project No. 105176);
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds of future debt for the Preliminary Design of the Eagle Mountain Water Treatment Plant 35 Million Gallons Per Day Expansion and Pump Station 2 project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in the Preliminary Design of Eagle Mountain Water Treatment Plant 35 Million Gallons Per Day Expansion and Pump Station 2 project (City Project No.105176) in the amount of \$3,757,990.00 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:

The original Eagle Mountain Water Treatment Plant (EMWTP) 30 Million Gallons Per Day (MGD) plant was designed in the late 1980s and completed in 1992. In 2001, the plant was expanded to 70 MGD, which was the ultimate capacity due to water availability on the West Fork of the Trinity River. With the construction of the Tarrant Regional Water District (TRWD) raw water pipe system from Lake Benbrook to Eagle Mountain Lake, the EMWTP could be further expanded.

From 2006 through 2008, the raw water delivery system from Eagle Mountain Lake to the EMWTP was expanded. Improvements consisted of a new lake intake, a second raw water pump station, and a parallel 72” raw water pipeline. The raw water system was designed around a 200 MGD ultimate capacity for the EMWTP, with the raw water pump station #2 having the ability to be expanded by adding pump, motors, switchgear, and pump piping. In 2008, the EMWTP plant was expanded to 105 MGD to meet the growing water demand of north Fort Worth and our northern customer cities.

This Mayor and Council Communication (M&C) is to authorize the Preliminary Design of Eagle Mountain Water Treatment Plant 35 MGD Expansion and Pump Station 2 project. The proposed expansion project will increase the plants design capacity from between 25 and 50 million gallons per day and master plan the site for a future ultimate build out of 200 million gallons per day.

CDM Smith, Inc., proposes to provide the necessary services for a fee not to exceed \$3,695,990.00 Staff considers the proposed fee to be fair and reasonable for the scope of services proposed.

In addition to the contract amount, \$62,000.00 is required for material testing.

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.

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 2024-2028 Capital Improvement Program.

Funding for the Preliminary Design of Eagle Mountain Water Treatment Plant 35 MGD Expansion and Pump Station 2 project is depicted below:

60EAGLEMWTPEXP-CDM

Capital Fund Name	Project Name	FY2024 CIP Appropriations	Authority	Budget Change (Increase/ Decrease)	Revised FY2024 Budget
56022 – W&S Commercial Paper Fund	105176-EMWTP 35MGD AND PS2	\$0.00	This M&C	\$3,757,990.00	\$3,757,990.00

Funding is budgeted in the W&S Commercial Paper project within the W&S Commercial Paper Fund for the purpose of funding the Eagle Mountain Water Treatment Plant, 35 MGD Expansion and Pump Station 2 project.

Funding for the Design of Eagle Mountain Water Treatment Plant, 35 MGD Expansion and Pump Station 2 project is depicted below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
W&S Commercial Paper– Fund 56022	\$0.00	\$3,757,990.00	\$3,757,990.00
Project Total	\$0.00	\$3,757,990.00	\$3,757,990.00

*Numbers rounded for presentation purposes.

Business Equity: CDM Smith, Inc., is in compliance with City’s Business Equity Ordinance by committing to 10 percent MWBE participation on this project. The City’s MWBE goal on this project is 10 percent.

The project is located in COUNCIL DISTRICT 7.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Commercial Paper 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 EMWTRP 35MGD EXP.AND PS2 project to support the above recommendations and execution of the 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: Fernando Costa 6122

Originating Business Unit Head: Chris Harder 5020

Additional Information Contact: James McDonald 4982