

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 02/27/24M&C FILE NUMBER: M&C 24-0175

LOG NAME: 60PANTHERISSC-KHA

SUBJECT

(CD 2) Authorize Execution of an Engineering Agreement with Kimley-Horn Associates, Inc. in the Amount of \$268,395.00 for the Panther Island Sanitary Sewer Collector Main Project, Adopt Resolution Expressing Official Intent to Reimburse Expenditures and Proceeds of Future Debt Project and Adopt Appropriation Ordinance to Effect a Portion of Water’s Contribution to Fiscal Years 2024-2028 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of an engineering agreement with Kimley-Horn Associates, Inc. in the amount of \$268,395.00 for Panther Island Sanitary Sewer Collector Main project;
2. Adopt the attached resolution expressing Official Intent to Reimburse expenditures with proceeds of future enterprise fund debt for the Panther Island Sanitary Sewer Collector Main project; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water & Sewer Commercial Paper Fund by increasing appropriations in the Panther Island Sanitary Sewer Collector Main project (City Project No. 105247) in the amount of \$379,730.00 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:

This Mayor and Council Communication (M&C) is to authorize a contract with Kimley-Horn Associates, Inc. in the amount of \$268,395.00 for the preparation of plans and specifications for Panther Island Sanitary Sewer Collector Main to allow for construction of the project on the following streets to provide for future developer connection on East Island:

| Street | From | To | Scope of Work |
|---------------------------|---------------------------|---|---------------|
| NE 7 th Street | Calhoun Street | 350 La Grave Field east | Sewer |
| Calhoun Street | NE 7 th Street | 500 La Grave Field south 4 th Street | Sewer |

In addition to the contract amount, \$111,335.00 is required for project management, real property acquisitions, utility coordination, and material testing. This project will have no impact on the Water Department's operating budget when completed.

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.

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, as follows:

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| Capital Fund Name | Project Name | FY2024 CIP Appropriations | Authority | Budget Change (Increase/Decrease) | Revised FY2024 Budget |
|---------------------------------|------------------------------------|---------------------------|-----------|-----------------------------------|-----------------------|
| Fund 56022-W&S Commercial Paper | 105247 Panther Island SS Collector | \$0.00 | This M&C | \$379,730.00 | \$379,730.00 |

Funding is budgeted in the Commercial Paper project within the W&S Commercial Paper Fund for the purpose of funding the Panther Island

Sanitary Sewer Collector Main project.

Funding for the Panther Island Sanitary Sewer Collector Main Replacements project depicted below:

| Fund | Existing Appropriations | Additional Appropriations | Project Total* |
|---------------------------------|-------------------------|---------------------------|----------------|
| Fund 56022-W&S Commercial Paper | \$0.00 | \$379,730.00 | \$379,730.00 |
| Project Total | \$0.00 | \$379,730.00 | \$379,730.00 |

*Numbers rounded for presentation purposes.

BUSINESS EQUITY OFFICE: Kimley-Horn Associates, Inc. is in compliance with the City's Business Equity Ordinance by committing to 18 percent MWBE participation on this project. The City's MWBE goal on this project is eight percent.

The project is located in COUNCIL DISTRICT 2.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are 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 Panther Island SS Collector project to support the above recommendations and execution of the agreement. Prior to any expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: Fernando Costa 6122

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