

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 02/27/24 M&C FILE NUMBER: M&C 24-0180

LOG NAME: 60WSTAMUS-MCO

SUBJECT

(CD 9) Approve Allocation from the American Rescue Plan Act State and Local Fiscal Recovery Funds in the Amount of \$596,275.00, Authorize Execution of a Contract with M-Co Construction, Inc. in the Amount of \$1,728,112.60 for Water and Sewer Infrastructure Associated with the Texas A&M Fort Worth Campus Project and Adopt Appropriation Ordinances to Effect a Portion of Water’s Contribution to the Fiscal Years 2024-2028 Capital Improvement Program

RECOMMENDATION:

It is recommended the City Council:

1. Authorize execution of a contract with M-Co Construction, Inc., in the amount of \$1,728,112.60 for Water and Sanitary Sewer Associated with the Texas A&M Fort Worth Campus project (TAMU);
2. Approve the allocation of \$596,275.00 from the American Rescue Plan Act State and Local Fiscal Recovery Funds for public water and sewer infrastructure construction costs associated with the Texas A&M Fort Worth Campus Project;
3. Adopt the attached Appropriation Ordinance increasing estimated receipts and appropriations in the Grants Cap Projects Federal Fund in the amount of \$596,275.00, transferred from the Grants Operating Federal Fund, for the purpose of the construction of public water and sewer infrastructure associated with the Texas A&M Fort Worth Campus Project (City Project No. 104855); and
4. Adopt the attached Appropriation Ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$1,366,434.00, from available funds, for the purpose of funding the ARPA W/SS A&M Fort Worth Campus (City Project No. 104855) to effect a portion of Water’s contribution to Fiscal Years 2024-2028 Capital Improvement Program.

DISCUSSION:

On June 27, 2023, Mayor & Council Communication (M&C) 23-0518 authorized execution of an Interlocal Agreement (Agreement) with Texas A&M University System (TAMUS) to reimburse TAMUS for design costs associated with planned public water and sewer improvements, and waive the collection of temporary encroachment fees for long term street and sidewalk closures associated with construction of the new Law and Education building.

In January of 2023, TAMUS announced the selection of the design team and contractor for the construction of the new Law and Education building as part of the Texas A&M Fort Worth Campus with the intent on breaking ground on the project in June of 2023. A component of the project included the replacement of older existing undersized public water and sewer lines needed to support the development and surrounding area.

This Mayor & Council Communication is to authorize execution of a construction contract for the replacement of cast iron water and deteriorated sanitary sewer mains and the abandonment conflicting water and sanitary sewer to allow for construction of the new law and education building as indicated on the following streets and easements:

| Street | From | To | Scope of Work |
|--|----------------------------|----------------------------|------------------------|
| Calhoun Street | E. 15 th Street | E. 17 th Street | Water/Sewer |
| Jones Street | E. 15 th Street | E. 17 th Street | Water |
| E. 16 th Street | Calhoun Street | Jones Street | Water |
| E. 17 th Street | Calhoun Street | West 100 feet | Sewer |
| E. 15 th Street | Calhoun Street | Jones Street | Water Main Abandonment |
| Easement between Calhoun Street and Jones Street | E. 16 th Street | E. 17 th Street | Sewer Main Abandonment |

Additionally, asphalt pavement rehabilitation will be conducted on applicable streets subsequent to the water and sanitary sewer main replacement.

The Water Department's share of this contract is \$1,160,231.80, and TAMU's share of the contract is \$567,880.80.

The project was advertised for bids on November 30, 2023 and December 7, 2023, in the *Fort Worth Star-Telegram*. On January 11, 2024, the

following bids were received:

| Bidder | Amount | Time of Completion |
|-------------------------------------|----------------|--------------------|
| M-Co Construction , Inc. | \$1,728,112.60 | 120 Calendar Days |
| Gra-Tex Utilities, Inc. | \$1,809,023.00 | |
| Fort Worth Civil Constructors, LLC. | \$2,675,857.75 | |
| Canary Construction, Inc. | \$3,326,730.00 | |

In addition to the contract amount, \$148,190.00 (Water: \$78,579.00; Sewer: \$69,611.00) is required for project management, material testing and inspection, and \$86,405.00 (Water: \$30,388.00; Sewer: \$27,623.00; TAMU: \$28,394.00 (Water: \$16,753.00; Sewer: \$11,641.00)) is provided for project contingencies. The sanitary sewer component of this project is part of the Water Department's Sanitary Sewer Overflow Initiative Program. Approximately 1,030 linear feet of cast iron water pipe will be removed and replaced as part of this project.

This project will have no impact on the Water Department's operating budgets when completed.

Allocation of ARPA Subtitle M Funding

Under the previously approved M&C 22-1076, it was indicated that both the City and Tarrant County would be utilizing American Rescue Plan Act (ARPA) dollars under Section 603(c)(1)(C) of Title VI of the Social Security Act (added by ARPA) to fund their respective participation in the Innovation Hub. On April 11, 2024, M&C 23-0284 amended M&C 22-1076 after Tarrant County elected to provide their \$2,000,000.00 allocation from another funding source rather than ARPA dollars.

The provision of government services impacted is a specifically identified use of ARPA dollars under Section 603(c)(1)(C) of Title VI of the Social Security Act (added by ARPA). Treasury Department guidance specifically notes that these State and Local Fiscal Recovery Funds can be deployed for the provision of government services in support of the economic recovery of the City and community.

Approval of this M&C will allocate \$596,275.00 for Fiscal Year 2024 in the American Rescue Plan Act project in the Grants Operating Federal Fund budget for transfer to the Grant Cap Projects Federal Fund. Necessary reporting and documentation requirements will be followed to ensure the City can comply with all reporting requirements of the ARPA legislation.

The following chart reflects the current status for allocation of the City's ARPA funding under Subtitle M and incorporates each ARPA M&C on the February 27, 2024 Council Agenda:

| | | M&C's |
|-----------------------------------|------------------|---|
| Total CFW ARPA Subtitle M Funding | \$173,745,090.00 | 21-0445 2021 AMERICAN RESCUE PLAN |
| Allocations Approved To-Date | 6,000,000.00 | 21-0794 ARPA-VFW-TDG |
| Allocations Approved To-Date | 1,000,000.00 | 21-0805 ARPA-ADMINISTRATION |
| Allocations Approved To-Date | 4,245,533.42 | 21-0810 ARPA ALLOCATIONS EVANS & ROSEDALE REDEVELOPMENT |
| Allocations Approved To-Date | 2,400,000.00 | 21-0811 ARPA ALLOCATIONS UNTHSC TECHSTARS |
| Allocations Approved To-Date | 10,100,000.00 | 21-0814 ARPA ALLOCATIONS TO HOUSING AND HUMAN SERVICES PROJECTS |
| Allocations Approved To-Date | 3,000,000.00 | 21-0809 ARPA ALLOCATION CDFI FRIENDLY AMERICA |
| Allocations Approved To-Date | 300,000.00 | 21-0820 ARPA-WRMC MURAL PLAQUES |
| Allocations Approved To-Date | 6,400,000.00 | 21-0935 ARPA-PEG FUNDING-FUTURE CITY HALL |
| Allocations Approved To-Date | 8,000,000.00 | 21-0908 ARPA-VACCINATIONS AND TESTING |

| | | |
|-------------------------------------|---------------|---|
| Allocations Approved To- Date | 4,560,000.00 | 21-0913 ARPA-PED_CAPITAL_RESTORE |
| Allocations Approved To- Date | 52,000,000.00 | 21-0934 ARPA-FWCC EXPANSION FUNDING & PROJECT MANAGEMENT |
| Allocations Approved To- Date | 3,000,000.00 | 22-0268 ARPA CENTER FOR TRANSFORMING LIVES |
| Allocations Approved To- Date | 5,000,000.00 | 22-0270 ARPA ALLOCATION FOR PERMANENT SUPPORTIVE HOUSING |
| Allocations Approved To- Date | 7,091,047.00 | 22-0368 ARPANEIGHBORHOOD WIFI CARES RATIFICATION/ARPA ALLOCATION |
| Allocations Approved To- Date | 3,595,000.00 | 22-0366 ARPA INFRASTRUCTURE PROGRAM |
| Allocations Approved To- Date | 3,675,000.00 | 22-0367 ARPA CYBERSECURITY PROGRAM |
| Allocations Approved To- Date | 16,000,000.00 | 22-0789 MMA INFRASTRUCTURE – STREETLIGHTS & PEDESTRIAN SAFETY |
| Allocations Approved To- Date | 2,500,000.00 | 22-0789 MMA INFRASTRUCTURE – COBB & HIGHLAND HILLS PARKS |
| Allocations Approved To- Date | 3,200,000.00 | 22-0789 TARRANT AREA FOOD BANK FACILITY |
| Allocations Approved To- Date | 2,000,000.00 | 22-0789 POLICE AND FIRE COVID WORKER'S COMPENSATION CLAIMS |
| Allocations Approved To- Date | 1,458,372.00 | 22-0789 POLICE COVID HEALTH EXPENDITURES |
| Allocations Approved To- Date | 750,000.00 | 22-0789 VISIT FORT WORTH SPECIAL EVENT FUNDING |
| Allocations Approved To- Date | 4,411,080.00 | 22-0789 UNITED WAY ONE SECOND COLLABORATIVE |
| Allocations Approved To- Date | 8,000,000.00 | 22-0789 DEEPLY AFFORDABLE HOUSING INFRASTRUCTURE & DRAINAGE |
| Allocations Approved To- Date | 1,500,000.00 | 22-0789 FORT WORTH ZOO ROAD REPAIR, EROSION CONTROL, BROADBAND |
| Allocations Approved To- Date | 200,000.00 | 22-0789 TX WESLEYAN ON-CAMPUS PUBLIC UTILITY RELOCATION |
| Allocations Approved To- Date | 1,925,000.00 | 22-0789 WILL ROGERS MC AIR HANDLER REPLACEMENT |
| Allocations Approved To- Date | 5,950,000.00 | 22-0789 WILL ROGERS MC CONCOURSE, LOBBY AND RESTROOM UPDATES |
| Reallocations | 0.00 | 23-0114 PED_CAP_PRJ_104227_WRMC_LOBBY&CON |
| Allocations Approved To- Date | 2,000,000.00 | 23-0284 ARPA FWTC INNOVATION PARTNERSHIP |
| Allocations Approved To- | 50,000.00 | 23-0518 WSTAMUS ILA |

| | | |
|--|----------------|--|
| Date | | |
| Allocations Approved To-Date | 100,000.00 | 23-0609 ARPA_CENTRAL_MULTIMODAL_MOBILITY_HUB |
| Allocations Approved To-Date/Reclaimed Funds | (4,216,902.00) | 23-0609 ARPA_CENTRAL_MULTIMODAL_MOBILITY_HUB |
| Reallocations | 0.00 | 23-0646 PED/ARPACAPITALFUNDINGSWAP-104227 |
| Allocations Approved To-Date | 4,500,000.00 | 23-0925 RFP-22-0146 BROADBAND ENHANCEMENTS CH CITY |
| Pending Allocations | 596,275.00 | WSTAMUS-MCO (This M&C) |
| Remaining Unallocated Balance | \$2,454,685.58 | |

A breakdown of the Remaining Unallocated Balance of ARPA SLFRF funding is detailed below:

| Amount | Project |
|-----------------------|---|
| \$2,353,725.00 | Revenue Recovery Funds - Held for Texas A&M University System Research and Innovation Hub |
| 65,682.00 | Revenue Recovery Funds - Held in contingency for project shortfalls |
| 35,278.58 | Non-Revenue Recovery Funds - Held in contingency for project shortfalls |
| \$2,454,685.58 | Total - Remaining Unallocated Balance |

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:

60WSTAMUS-MCO

| Capital Fund Name | Project Name | FY2024 CIP Appropriations | Authority | Budget Change (Increase/Decrease) | Revised FY2024 Budget |
|-----------------------------------|--------------------------------|---------------------------|-----------|-----------------------------------|-----------------------|
| W&S Capital Projects - Fund 56002 | ARPA W/SS A&M FortWorth Campus | \$0.00 | This M&C | \$1,366,434.00 | \$1,366,434.00 |

Funding is budgeted in the Unspecified-All Funds Project with in the Water & Sewer Capital Project Fund for the purpose of funding the ARPA W/SS A&M Fort Worth Campus project within the Water & Sewer Capital Projects Fund.

Appropriations for ARPA Water and Sanitary Sewer A&M Fort Worth Campus project, are as depicted below:

| Fund | Existing Appropriations | Additional Appropriations | Project Total* |
|--|-------------------------|---------------------------|-----------------------|
| W&S Capital Projects - Fund 56002 | \$65,000.00 | \$1,366,434.00 | \$1,431,434.00 |
| Grants Cap Projects Federal - Fund 31001 | 50,000.00 | 596,275.00 | 646,275.00 |
| Project Total | \$115,000.00 | \$1,962,709.00 | \$2,077,709.00 |

*Numbers rounded for presentation purposes.

Business Equity: M-Co Construction, Inc., is in compliance with the City’s Business Equity Ordinance by committing to 32 percent MWBE participation on this project. The City’s MWBE goal on this project is eight percent.

This project is located in COUNCIL DISTRICT 9.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Unspecified-All Funds project within the Water & Sewer Capital Projects Fund and in the Grants Operating Federal Fund, and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the W&S Capital Projects Fund and Grants Cap Projects Federal Fund for the ARPA W/SS A&M Fort Worth Campus project to support the approval of the above recommendations and execution of the engineering agreement. Prior to any expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds. This is a reimbursement grant.

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

Originating Business Unit Head: Chris Harder 5020

Additional Information Contact: John Kasavich 8480

Expedited