

# Mayor and Council Communication

DATE: 04/13/21

M&amp;C FILE NUMBER: M&amp;C 21-0285

LOG NAME: 60CDWRWSSP6CO4-CIRCLEC

## SUBJECT

(CD 9) Authorize Execution of Change Order No. 4 in the Amount of \$57,966.48 and the Addition of 150 Calendar Days with William J. Schultz, Inc. dba Circle C Construction Company, for Cultural District-Will Rogers Water and Sanitary Sewer Improvements, Part 6 - Crestline Road and River Drive for a Revised Contract Cost of \$2,199,876.59, Adopt Attached Resolution Expressing Official Intent to Reimburse Expenditures with Proceeds of Future Debt and Adopt Attached Appropriation Ordinance

## RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the execution of Change Order No. 4 to City Secretary Contract No. 51918 in the amount of \$57,966.48 and the addition of 150 calendar days with William J. Schultz, Inc. dba Circle C Construction Company, for Cultural District-Will Rogers Water and Sanitary Sewer Improvements project, Part 6 - Crestline Road and River Drive for a revised contract cost of \$2,199,876.59 (City Project No. C01468);
2. Adopt the attached resolution expressing official intent to reimburse expenditures with proceeds of future debt for the Cultural District-Will Rogers Water and Sanitary Sewer Improvements project, Part 6 - Crestline Road and River Drive; and
3. Adopt the attached appropriation ordinance adjusting appropriations in the Water and Sewer Commercial Paper Fund by increasing appropriations in the amount of \$57,967.00, from available funds, to fund the Cultural District-Will Rogers Water and Sanitary Sewer Improvements project, Part 6 - Crestline Road and River Drive.

## DISCUSSION:

On January 29, 2019, Mayor and Council Communication (M&C C-29011) the City Council authorized a contract with William J. Schultz, Inc. dba Circle C Construction Company, in the amount of \$1,924,665.00 for the Cultural District-Will Rogers Water and Sanitary Sewer Improvements Project, Part 6 - Crestline Road and River Drive.

The contract was subsequently revised by three change orders as follows: Change Order No. 1 in the amount of \$131,075.00 authorized by the City Council on April 7, 2020 (M&C 20-0173) that provided for trenchless installation of a 24-inch water main across Crestline Road, Change Order No. 2 in the amount of \$86,170.11 administratively authorized on October 2, 2020 that provided for chain link fencing and paving improvements within Trinity Park and Change Order No. 3 with a net zero amount that provided an additional 120 calendar days on the project to resolve pavement and grass restoration within Trinity Park.

Change Order No. 4 will provide for increased pay item quantity of 24-inch ductile iron pipe and asphalt pavement improvements that were necessary on the project. 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.

Funding for the Cultural District-Will Rogers Area Water and Sanitary Sewer Improvements as depicted in the table below:

Fund	Existing Appropriations	Additional Appropriations	Project Total*
Water Capital Fund 59601	\$6,794,511.00	\$0.00	\$6,794,511.00
Sewer Capital Legacy Fund - 59607	\$3,234,652.00	\$0.00	\$3,234,652.00
Water & Sewer 2015A Bond Fund 56007	\$1,772,417.00	\$0.00	\$1,772,417.00
Water & Sewer 2017A Bond Fund 56011	\$695,000.00	\$0.00	\$695,000.00
WS Capital Project 2019 Fund 56016	\$2,492,498.00	\$0.00	\$2,492,498.00

Water & Sewer Bond 2020A Fund 56017	\$384,940.00	\$0.00	\$384,940.00
Water & Sewer Commercial Paper Fund 56019	\$0.00	\$57,967.00	\$57,967.00
Project Total	\$15,374,018.00	\$57,967.00	\$15,431,985.00

\*Numbers rounded for presentation purposes.

M/WBE Office - A waiver of the goal for MBE/SBE subcontracting requirements was requested by the Department and approved by the OBD, in accordance with the BDE Ordinance, because the purchase of good or services is from sources where subcontracting or supplier opportunities are negligible.

The project is located in COUNCIL DISTRICT 9.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that 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 Cultural District-Will Rogers project. 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:**    Dana Burghdoff    8018

**Originating Business Unit Head:**                      Chris Harder                      5020

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