

Mayor and Council Communication

DATE: 11/18/25

M&C FILE NUMBER: M&C 25-1071

LOG NAME: 20HORNE ST RECONSTRUCTION AFA AMENDMENT 2

SUBJECT

(CD 3 and CD 6) Adopt Resolution Authorizing Execution of Amendment No. 2 to the Advance Funding Agreement with the Texas Department of Transportation for the Horne Street Reconstruction Project to Increase the Advanced Funding Agreement Amount from \$9,364,758.00 to \$16,630,553.00 with City Participation Increasing to \$1,288,125.00, Authorize Execution of Amendment No. 1 to an Engineering Agreement with Kimley-Horn and Associates, Inc., in the Amount of \$449,144.00, for a Revised Contract Amount of \$1,763,647.00 for Additional Design Services, Adopt Appropriation Ordinances, and Amend the Fiscal Years 2026-2030 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached resolution authorizing execution of Amendment No. 2 to a Advance Funding Agreement with the Texas Department of Transportation (City Secretary Contract No. 55194; CSJ #0902-90-148 and #0902-90-343) for the Horne Street Reconstruction project (City Project No. 102764) to increase the Advance Funding Agreement amount from \$9,364,758.00 to \$16,630,553.00 with City participation in the amount of \$1,288,125.00 and Transportation Development Credits in the amount of 1,877,798, plus any construction cost overruns;
 2. Authorize execution of Amendment No. 1 to an engineering agreement with Kimley-Horn and Associates, Inc. (City Secretary Contract No. 57171), in the amount of \$449,144.00 for a total revised contract amount of \$1,763,647.00 for the additional design services of the Horne Street Reconstruction project (City Project No. 102764);
 3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the General Capital Projects Fund, in the amount of \$1,600,000.00, from transfer from general proceeds within the Unspecified – All Funds project (City Project No. UNSPEC), for the purpose of funding the Horne Street Reconstruction project (City Project No. 102764);
 4. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Capital Project Other Fund, in the amount of \$82,493.00, subject of the receipt of the grant for the purpose of funding the Horne Street Reconstruction project (City Project No. 102764);
 5. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Capital Projects Federal Fund, subject of the receipt of the grant, (i) in an amount up to \$5,564,965.00 for Federal participation and (ii) in an amount up to \$1,223,719.00 for City participation, transferred from the General Capital Projects Fund, for the purpose of funding the Horne Street Reconstruction project (City Project No. 102764); and
 6. Amend the Fiscal Years 2026-2030 Capital Improvement Program.
-

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to adopt a resolution authorizing execution of Amendment No. 2 to the Advance Funding Agreement (AFA) with the Texas Department of Transportation (TxDOT) (City Secretary Contract No. 55194; CSJ #0902-90-148) to add CSJ #0902-90-343 increasing the total project cost to \$16,630,553.00, with corresponding increases in the Federal participation in the amount of \$5,564,965.00, State participation in the amount of \$412,707.00, City participation in the amount of \$1,288,125.00, and City participation in the form of Transportation Development Credits (TDCs) in the amount of 1,877,798 as well as to adopt appropriation ordinances to accept additional federal grant funds for the project and to track usage of TDCs.

The City Council approved an AFA with TxDOT in the amount of \$8,146,318.00 on November 10, 2020 (M&C 20-0829) for engineering and construction of the Horne Street Streetscape project (City Project No. 102764), including Horne Street from Camp Bowie Boulevard to West Vickery Boulevard.

Amendment No. 1 to the AFA was approved by City Council on June 25, 2024, (M&C 24-0566) for additional engineering, right-of-way (ROW), and utility relocation costs for the project. Additional federal funds in the amount of \$1,160,230.00, additional State participation in the amount of \$58,208.00, and additional City contribution in the form of TDCs in the amount of 335,022.00 were approved as part of Amendment No. 1.

Amendment No. 2 is for additional engineering and construction costs for the project's scope change (CSJ #0902-90-343), for full roadway reconstruction using concrete pavement. Additional federal funds in the amount of \$5,564,965.00 were approved by the North Central Texas Council of Governments (NCTCOG) for this work and will be approved by this M&C. TxDOT will absorb the additional indirect costs of \$412,707.00 for providing support services to this federally funded project. These state indirect costs will not be appropriated in the City's finance system. The City's required additional local match is being partially made with Transportation Development Credits (TDCs) in the additional amount of 82,493, which are appropriated and tracked as a non-spendable item in the Grants Capital Project Other Fund and City funds in the amount of \$1,288,125.00.

The funding appropriated by this M&C will be used for design, right-of-way acquisition, utilities, project management, and construction of the project. An advanced payment to TxDOT is required in the amount of \$64,406.00 for this project. The final payment to TxDOT for local participation will be based on actual costs. The City bears the responsibility to pay for cost overruns. At the end of the project, the asset will remain with the City

of Fort Worth.

The following table displays what the revised Federal, State, and Local participation amounts will be after approval of Amendment No. 2:

CSJ: 0902-90-148 AFA PROJECT BUDGET							
Description	Total Estimated Cost (Excludes Non-Expendable TDC Local Participation column)	Federal Participation		State Participation		Local Participation	
CSJ: 0902-90-148		%	Cost	%	Cost	%	TDCs
Engineering (by LG)	\$1,719,800.00	100%	\$1,719,800.00	0%	\$0.00	0%	\$343,960.00
Environmental (by LG)	\$180,000.00	100%	\$180,000.00	0%	\$0.00	0%	\$36,000.00
ROW (by LG)	\$150,000.00	100%	\$150,000.00	0%	\$0.00	0%	\$30,000.00
Construction (by LG)	\$6,972,230.00	100%	\$6,972,230.00	0%	\$0.00	0%	\$1,394,446.00
Subtotal	\$9,022,030.00		\$9,022,030.00		\$0.00		\$1,804,406.00
Environmental Direct State Costs	\$61,159.00	100%	\$61,159.00	0%	\$0.00	0%	\$12,232.00
ROW Direct State Costs	\$61,159.00	100%	\$61,159.00	0%	\$0.00	0%	\$12,232.00
Engineering Direct State Costs	\$61,160.00	100%	\$61,160.00	0%	\$0.00	0%	\$12,232.00
Utility Direct State Costs	\$1.00	100%	\$1.00	0%	\$0.00	0%	\$0.00
Construction Direct State Costs	\$183,480.00	100%	\$183,480.00	0%	\$0.00	0%	\$36,696.00
Indirect State Costs	\$477,265.00	0%	\$0.00	100%	\$477,265.00	0%	\$0.00
CSJ Total	\$9,866,254.00		\$9,388,989.00		\$477,265.00		\$1,877,798.00

CSJ: 0902-90-343 AFA PROJECT BUDGET							
Description	Total Estimated Cost (Excludes Non-Expendable TDC Local Participation column)	Federal Participation		State Participation		Local Participation	
CSJ: 0902-90-343		%	Cost	%	Cost	%	Cost
Construction (by LG)	\$6,118,594.00	80%	\$4,894,875.00	0%	\$0.00	20%	\$1,223,719.00
Subtotal	\$6,118,594.00		\$4,894,875.00		\$0.00		\$1,223,719.00
Environmental Direct State Costs	\$1.00	0%	\$0.00	0%	\$0.00	0%	\$1.00
ROW Direct State Costs	\$1.00	0%	\$0.00	0%	\$0.00	0%	\$1.00
Engineering Direct State Costs	\$1.00	0%	\$0.00	0%	\$0.00	0%	\$1.00
Utility Direct State Costs	\$1.00	0%	\$0.00	0%	\$0.00	0%	\$1.00
Construction Direct State Costs	\$183,480.00	0%	\$257,625.00	0%	\$0.00	0%	\$64,402.00
Indirect State Costs	\$323,674.00	0%	\$0.00	100%	\$323,674.00	0%	\$0.00
CSJ Total	\$6,764,299.00		\$5,152,500.00		\$323,674.00		\$1,288,125.00
Project Total	\$16,630,553.00		\$14,541,489.00		\$800,939.00		\$1,288,125.00

In addition, this M&C is to authorize execution of Amendment No. 1 to the engineering agreement with Kimley-Horn and Associates, Inc. (City Secretary Contract No. 57171), in the amount of \$449,144.00 for a revised contract amount of \$1,763,647.00 for the design of the Horne Street Reconstruction project (City Project No. 102764). On January 11, 2022, the City Council authorized an engineering agreement in the amount of \$1,314,503.00 with Kimley-Horn and Associates, Inc. (M&C 22-0024) for the Horne Street Streetscape project. Amendment No. 1 will provide additional engineering services to support the scope change from mill-and-overlay to full-depth roadway reconstruction using concrete pavement

instead of asphalt pavement.

The following table displays the appropriation history for the project:

FUNDING FOR HORNE STREET RECONSTRUCTION (CPN 102764)					
Fund	Existing Funding	Additional Funding	Transfer to Grants for Match	Project Total	Notes
31001 - Grants Cap Projects Federal Fund	\$8,976,524.00	\$5,564,965.00	\$1,223,719.00	\$15,765,208.00	Federal funding with direct state costs
31003 - Grants Capital Project Other Fund	\$1,795,305.00	\$82,493.00	\$0.00	\$1,877,798.00	Non-expendable - TDCs
30100 – General Capital Projects	\$0.00	\$1,600,000.00	(\$1,223,719.00)	\$376,281.00	Local participation with soft costs
Project Total	\$10,771,829.00	\$7,247,458.00	\$0.00	\$18,019,287.00	

Additional funding for this project was not included in the Fiscal Years (FY) 2026-2030 Capital Improvement Program because the availability of the additional funding was unknown at the time of the development of the Capital Improvement Program. The action in this M&C will amend the FY2026-2030 Capital Improvement Program as approved in connection with Ordinance 27979-09-2025.

Funding is available in the General Capital Projects Fund within the Unspecified-All Funds project for city participation for the Horne Street Reconstruction project.

The Business Support Division and Capital Project Division will charge salaries to this grant project as incurred. Indirect cost recovery does not apply.

This project is located in COUNCIL DISTRICTS 3 & 6.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations, and adoption of the attached appropriation ordinances, funds will be available in the current capital budget, as appropriated, of the General Capital Projects Fund, Grants Cap Projects Federal Fund and the Grants Capital Project Other Fund for the Horne Street Reconstruction project. The Transportation and Public Works Department (and Financial Management Services) will be responsible for the collection and deposit of funds due to the City. Prior to an expenditure being incurred, the Transportation and Public Works Department has the responsibility to validate the availability of funds. This is a reimbursement grant.

Submitted for City Manager's Office by: Jessica McEachern 5804

Originating Business Unit Head: Lauren Prieur 6035

Additional Information Contact: Monty Hall 8662