

# Mayor and Council Communication

**DATE:** 04/12/22

**M&C FILE NUMBER:** M&C 22-0254

**LOG NAME:** 03INTERLOCAL AGREEMENT WITH NCTCOG FOR TRV BRIDGE FUNDING

**SUBJECT**

(CD 2 and CD 9) Authorize Execution of an Interlocal Agreement with the Regional Transportation Council, the North Central Texas Council of Governments and the Tarrant Regional Water District in the Amount of \$5,000,000 with City Participation in the Amount of \$1,500,000 and Authorize a Settlement Agreement with Freese and Nichols, Inc. in the Amount of \$1,500,000 for Claims Associated with the Trinity River Central City Bridge Project

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**RECOMMENDATION:**

It is recommended that the City Council:

1. authorize execution of an Interlocal Agreement with the Regional Transportation Council, the North Central Texas Council of Governments and the Tarrant Regional Water District in the amount of \$5,000,000.00 with City participation in the amount of \$1,500,000.00 for the Trinity River Central City Bridge project; and
  2. authorize execution of a settlement agreement with Freese and Nichols, Inc. in the amount of \$1,500,000.00 for claims associated with the Trinity River Central City Bridge project.
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**DISCUSSION:**

The Trinity River Central City Bridge project consists of the construction of three bridges over a future bypass channel of the Trinity River north of downtown Fort Worth. The bridge construction is being managed by the Texas Department of Transportation (TxDOT), with the City of Fort Worth as the local sponsor. TxDOT contracted with Texas Sterling Construction Co. to construct the bridges. During the course of construction, Texas Sterling raised questions concerning the constructability and adequacy of the plans related to the bridge design. Delays ensued and litigation was threatened ultimately leading to resolution of the dispute between the bridge contractor and TxDOT through the execution of Change Order No. 74 in the amount of \$14,999,772.23. To fund the cost increase as well as future, projected increases, in March 2020, the Regional Transportation Council (RTC) approved an increase of \$20 million in Surface Transportation Block Grant (STBG) funds for the project, which funds were programmed to TxDOT. The City agrees to reimburse \$1,500,000 to the NCTCOG, as the RTC's fiscal agent. In addition, Tarrant Regional Water District (TRWD) will reimburse \$3,500,000 to the RTC via NCTCOG over a 10-year period using Trinity River Vision Tax Increment Finance (TIF) revenue.

The bridges were originally funded in 2011 with a total of \$69.9 million in Federal, State, City and other partner funding. Expenses related to the Bridge project are considered Central City project costs, which are eligible for TIF reimbursement.

The City and Freese and Nichols, Inc. entered into an engineering design agreement, City Secretary No. 39644, in December, 2009 for engineering and design services for the three bridges spanning the future Trinity River bypass channel. The agreement was amended twice: in June, 2011 and again in December, 2011. The second amendment added scope and fees for the design of the "V-pier" bridges. Freese and Nichols has agreed to contribute \$1,500,000.00 to the City to settle any claims related to the engineering design agreement after good faith negotiations with City staff.

A Form 1295 has been provided by Freese and Nichols, Inc.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: North Central Texas Council of Governments, Tarrant Regional Water District

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**FISCAL INFORMATION / CERTIFICATION:**

Prior to any expenditure being incurred, the Transportation and Public Works Department has the responsibility to validate the availability of funds. The Director of Finance further certifies that upon approval of the above recommendation and execution of the agreements, funds will be deposited into the Street Improvements 2008 Fund and then remitted to the North Central Texas Council of Governments. The Transportation and Public Works Department is responsible for the collection and deposit of funds due to the City.

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Expedited