

Mayor and Council Communication

DATE: 04/07/20

M&C FILE NUMBER: M&C 20-0234

LOG NAME: 20OVERTON WOODS / BELLAIRE DRIVE SOUTH

SUBJECT

Adopt Appropriation Ordinances to Reallocate \$1,869,000 in Funding from the Cancelled Overton Woods Drive and Bellaire Drive South Drainage, Traffic Improvement, and Sanitary Sewer Improvement Projects to Loop 820/Marine Creek Parkway and WJ Boaz and Bowman Roberts Intersection Projects (COUNCIL DISTRICTS 2, 3, and 7)

RECOMMENDATION:

- 1) Adopt the attached appropriation ordinance making adjustments to appropriations in the 2007 Critical Capital Projects Fund as follows: decrease the estimated receipts and appropriations in the Overton Woods Drive/Bellaire Drive South project (City Project No. C01607) by \$1,827,489.96, increase the estimated receipts and appropriations in the Loop 820/Marine Creek Parkway project (City Project No. 101585) by \$1,196,851.90, and increase the estimated receipts and appropriations in the WJ Boaz and Bowman Roberts Intersection project (City Project No. 101867) by \$630,638.06; and
- 2) Adopt the attached appropriation ordinance increasing appropriations of the 2014 Bond Program in an amount of \$41,783.67 in the WJ Boaz and Bowman Roberts Intersection project and decrease appropriations in the Overton Woods Drive/Bellaire Drive South project by the same amount

DISCUSSION:

The purpose of this Mayor and Council Communication is to inform the City Council of the decision to cancel the Overton Woods / Bellaire Drive South (C01607) drainage and traffic improvement projects as well as the bulk of the associated sanitary sewer work, for logistical and financial reasons described below, and to reallocate remaining funding to other eligible projects.

These projects were initiated due to: road and residential flood risks; traffic control concerns on Bellaire Drive west of Hulen Street due to the opening of the Chisholm Trail Parkway (CTP); and undersized sanitary sewer infrastructure. As the design process has progressed, it has become apparent that the scale of the flood risk and traffic concerns do not warrant incurring the estimated construction cost. In addition, although the existing sanitary sewer line is undersized, the sewer improvements (C02321) are not critical and were only planned as part of the overall project in order to simultaneously accomplish all foreseeable infrastructure projects in the right-of-way; therefore most of the sewer improvements can be deferred. A portion of the sanitary sewer, mains at Chisholm Trail and Bellaire Drive South, will be replaced under a separate project.

Drainage Project

On July 19, 2011, City Council approved a professional services agreement with Brown and Gay Engineers, Inc. (BGE) in the amount of \$301,176 to evaluate drainage improvement alternatives and provide conceptual design (M&C C-25014). On September 24, 2013, City Council approved a professional services agreement with BGE in the amount of \$1,186,363 to complete the design of drainage improvements which would provide meaningful flood mitigation, while accommodating community concerns about the project (M&C C-26481). The design process indicated that in order to provide protection from the 100 year rain event to the road and residences, the estimated cost for the drainage portion of the project would be \$7,900,000 and would require acquiring easements and other agreements from a major landholder immediately downstream of the flood risk area. That cost exceeds the project budget and the projected benefits are not high priority compared to other projects around the City involving serious life safety hazards. The level of flood mitigation benefits that can be achieved within the project budget do not justify funding of the construction project. Stormwater capital funds budgeted for this project are planned to be reallocated to fund Loving Avenue Culvert Improvements project, Shoreview Culvert Improvements project, and Hazardous Roadway Overtopping Project Development.

Future drainage improvements in this area could be feasible if a partnership opportunity with the downstream landholder arises that would make the level of investment required by the City justifiable from a cost/benefit standpoint compared to other high priority needs around the City.

Traffic Improvement Project

On December 6, 2016, City Council approved a professional services agreement with Kimley-Horn and Associates (KHA) in the amount of \$500,000 for design of traffic improvements on Bellaire Drive South, including at the intersections with Overton Woods Drive and Briarhaven Road (M&C C-28003). On February 21, 2017, a task order was issued to KHA in the amount of \$403,720 for this project to collect traffic data, update the corridor feasibility study, and provide a design that was compatible with the drainage improvements project and fit within the project's construction budget. The task order included effort on both Overton Woods Drive/Bellaire Drive South and Briarhaven Road/Bellaire Drive South intersections. Traffic counts since the opening of the CTP indicate that the cut-through traffic on Bellaire Drive between Hulen Street and the CTP are not nearly as high as predicted, and the cost of the planned traffic control measures is not justified.

Construction funding for the traffic improvement portion of the project, included \$2,550,000 of proceeds from the 2007 Critical Capital Needs (“CCN”) Certificates of Obligation (“CO”s). Prior to issuing any COs, the City is required to publish a notice of intent (“NOI”) that identifies the planned uses for the resulting debt proceeds. In this instance, the NOI preceding the CCN COs listed proposed uses that included “the construction of street improvements (including freeway interchanges, and arterial access) and related drainage and sidewalk improvements throughout the City, and the acquisition of related traffic and communications equipment; [and] the reconstruction of streets and related drainage and sidewalk improvements throughout the City.”

In 2016, as part of a larger financial cleanup effort, approximately \$6.3 million dollars in remaining proceeds from the sale of the 2007 COs were programmed to identify street and transportation projects that were found to be within the purposes described in the NOI, with \$2,250,000 reallocated to the Overton/Bellaire project. (M&C G-18719; Ordinance 22172-04-2016). In addition, \$182,346.00 in 2014 bond funding was also allocated to this project. (Funds were allocated to the project administratively without an M&C)

At this point, staff is recommending the Overton/Bellaire project be cancelled due to traffic conditions not warranting the planned improvements and that the remaining funds, which total approximately \$1,827,000 and consist solely of the previously reallocated CO revenues, be reprogrammed to other street and transportation projects expected to have funding shortfalls as detailed below.

Loop 820/Marine Creek Parkway

The 2018 Bond booklet included funding for intersection improvements at NW Loop 820 and Marine Creek Parkway with the stated intent to “Improve intersection capacity and enhance operational flexibility by reversing left turn lanes.” The status of the project is currently under design at 30% with an estimated additional \$1,196,851.90 needed for construction.

Intersection of WJ Boaz and Bowman Roberts Road

The 2014 Bond booklet identified \$9,000,000.00 in funding for “Citywide construction of capacity and safety improvements at existing intersections.” The intersection of WJ Boaz and Bowman Roberts Road is one of the intersections that was identified for improvement under this program; however, it was deferred until additional funds could be identified in order to deliver other critical improvements. Upon completion of all improvements in the 2014 Intersection program, residuals were identified for design of this intersection which is currently at 30%. Staff estimates an additional \$671,000 is needed for final design and construction.

Both of the identified projects fall within the purposes outlined in the published NOI for these COs, and both projects are currently subject to projected funding shortfalls. Staff recommends that the City Council approve this M&C, which cancels the Overton Woods/Bellaire project and reprograms the resulting CO funds to these projects, which are found to be within the purposes of these COs as identified in the NOI.

Sanitary Sewer Improvement Project

On July 22, 2014, City Council approved a professional services agreement with KHA in the amount of \$208,150.00 for the design of sanitary sewer improvements which would increase the capacity of the sanitary sewer infrastructure, be compatible with the drainage and traffic improvements and fit within the project’s construction budget (M&C C-26873). This agreement was subsequently amended three times for a total amount of \$503,114.00. Remaining funding for this project will be used for design of sanitary sewer replacements at Chisholm Trail and Bellaire Drive South, and the additional capacity needs will be taken into account as part of the Water Department’s continuous capital planning for the system.

Appropriations / Expenditures					
Fund	Source	Funding Year	Funding Amount	Amount Spent	Residual
34014	GO Bond	2015	\$182,346.00	\$140,562.33	\$41,783.67
39001	CO Bond	2014	\$300,000.00	\$300,000.00	\$0.00
39001	CO Bond	2016	\$2,250,000.00	\$422,242.98	\$1,827,757.02
52002	Stormwater Utility Revenues	2015	\$491,000.00	\$111,937.38	\$379,062.62
52002	Stormwater Utility Revenues	2016	\$2,431,400.00	\$0.00	\$2,431,400.00
59651	Revenue Bond	2014	\$1,526,103.79	\$1,526,103.79	\$0.00
59651	Revenue Bond	2015	\$3,813,449.16	\$10,310.42	\$3,803,138.74
59653	Revenue Bond	2014	\$6,896.37	\$6,896.37	\$0.00

Total			\$11,001,195.32	\$2,518,053.27	\$8,483,142.05
--------------	--	--	------------------------	-----------------------	-----------------------

The actions in this M&C will update the FY2020-2024 Capital Improvement Plan.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

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 2007 Critical Capital Projects Fund, as appropriated.

Submitted for City Manager's Office by: Dana Burghdoff 8018

Originating Business Unit Head: William Johnson 7801

Additional Information Contact: Linda Young 2485