

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 05/13/25 M&C FILE NUMBER: M&C 25-0424

LOG NAME: 202022 BOND FUNDING SHUFFLE

SUBJECT

(CD 2, CD 7, CD 8, and CD 10) Adopt Appropriation Ordinance Adjusting Appropriations in a Cumulative Amount of \$18,285,252.00 from Seven Identified Projects to Provide Additional Funding for Three High-Priority Transportation Projects and Amend the Fiscal Years 2025-2029 Capital Improvement Program (2022 Bond Program)

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached appropriation ordinance adjusting appropriations in the 2022 Bond Program Fund by (i) increasing appropriations in the Avondale Haslet Road project (City Project No. 101014) in the amount of \$9,202,128.54; and (ii) increasing appropriations in the Everman Parkway (Rosedale Springs) project (City Project No. 103271) in the amount of \$7,583,123.46; and (iii) increasing appropriations in the Keller Hicks Road project (City Project No. 103276) in the amount of \$1,500,000.00 and decreasing appropriations in certain identified projects (City Project Nos. 103272, 103278, 103281, 103299, 103300, 104153, 104154) by the same cumulative amount of \$18,285,252.00 with no net change to the total appropriation in the Fund; and
2. Amend the Fiscal Years 2025-2029 Capital Improvement Program.

DISCUSSION:

City staff has identified funding shortfalls in multiple 2022 Bond Program capital projects due to escalated construction costs and higher than anticipated inflation rates. As outlined at the April 1 City Council Work Session, in order to maintain project timelines and delivery, staff recommends a number of steps to address these shortfalls, including reallocating ("shuffling") appropriations within the 2022 Bond Program and issuing tax notes.

The actions within this Mayor and Council Communication (M&C) reallocate existing appropriations within the 2022 Bond Program to provide immediate funding for three arterial projects scheduled to go to construction in the current fiscal year, including the (i) Avondale Haslet Road project (City Project No. 101014), (ii) the Everman Parkway (Rosedale Springs) project (City Project No. 103271), and (iii) the Keller Hicks Road project (City Project No. 103276). This M&C also serves to reiterate to the public the intent to pursue tax notes for the purpose of financing the remaining capital project shortfalls related to (i) the WJ Boaz Road West Half project (City Project No. 103299) and (ii) the 2022 Neighborhood Streets Program. Formal authorizing actions for the tax note issuance and related appropriations will be brought forward for Council approval via separate M&C.

Shuffling of 2022 Bond Funds

Employing conservative budget estimating, City staff has identified projected surplus in five arterial projects in the 2022 Bond Fund totaling \$6,144,387.00. Additionally, staff have identified two projects that can be borrowed from temporarily, as construction is not anticipated until 2026 or later. Staff recommends a total of \$12,140,865.00 be borrowed from the Heritage Trace Parkway 1 project (City Project No. 103300) and WJ Boaz Road West Half project (City Project No. 103299). These projects are not scheduled for construction until 2026 and 2027, respectively. While the WJ Boaz Road West Half project (City Project No. 103299) was scheduled to start construction in 2026, construction is being deferred to early 2027 to minimize construction impact on traffic, as two other main arterials serving the same area in the northwest part of the City will also be under construction in 2026. Sufficient funds are being kept in the two projects to allow the design phase to continue and avoid impacting their current schedules.

Tax Note Issuance

Additional funding will be necessary to fully deliver on these borrowed projects and the remaining capital project shortfall. The Transportation and Public Works Department has requested funds in the proposed 2026 Bond Program to replenish the funds being borrowed from the Heritage Trace Parkway 1 project (City Project No. 103300). Additionally, City staff is recommending including an additional \$45 million to the 2025 tax note issue currently scheduled for Council review and approval on May 13, 2025 to fully fund the balance of the WJ Boaz Road West Half project (City Project No. 103299) and the 2022 Neighborhood Streets Program. Corresponding actions and appropriations related to this purpose will be included in the subsequent M&C.

Once funds are reallocated and additional proceeds from the tax notes are received, the overall shortfall across 4 Arterial projects will decrease from \$25.4 million to slightly over \$7.1 million in two projects: Avondale Haslet Road (City Project No. 101014) and Bailey Boswell East (City Project No. 104152). Once the construction phase is reached, alternative funding will be identified when the funds are needed.

Adjustments to appropriations for the transportation projects are as depicted below:

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Project No.	Project Name	Limits	Existing Funding	Additional Funding	Totals
101014	Avondale Haslet Road	Willow Creek Drive to the eastern city limit line with Haslet (John Day Road)	\$54,628,346.00	\$9,202,128.54	\$63,830,474.54
103271	Everman Parkway (Rosedale Springs)	Rosedale Springs Lane to Cameron Hill Point	\$42,416,876.54	\$7,583,123.46	\$50,000,000.00
103272	Meacham Boulevard Phase 2	FM156 to IH-35W	\$3,768,000.00	(\$628,053.00)	\$3,139,947.00
103276	Keller Hicks Rd	Park Vista Blvd to Lauren Way	\$11,137,250	\$1,500,000.00	\$12,637,250.00
103278	Bonds Ranch Road	US Hwy 287 SB SR to Wagley Robertson Road	\$36,907,000.00	(\$500,000.00)	\$36,407,000.00
103281	Park Vista Boulevard	Keller Haslet Road to Timberland Boulevard	\$7,540,000.00	(\$1,634,793.00)	\$5,905,207.00
103299	WJ Boaz Road West Half Road*	Boat Club Road to Elkins School Road	\$31,200,000.00	(\$9,783,495.00)	\$21,416,505.00
103300	Heritage Trace Parkway 1*	Old Decatur Road to Wagley Robertson Road	\$9,000,000.00	(\$2,357,370.00)	\$6,642,630.00
104153	Bailey Boswell West	Boat Club to Wind River	\$30,390,861.00	(\$1,390,861.00)	\$29,000,000.00
104154	Wagley Robertson Road	Quicksilver Court to Coneflower Trail	\$27,990,680.00	(\$1,990,680.00)	\$26,000,000.00
Totals			\$254,979,013.54	\$0.00	\$254,979,013.54

*Projects being 'borrowed' from; to be fully funded through alternate means. Non-asterisked reductions reflect surplus in projects using conservative estimates.

Funding associated with this recommended transaction was not included in the Fiscal Years 2025-2029 Capital Improvement Program (CIP) because the strategy had not been recommended by staff at the time of the CIP development. The action in this M&C will amend the Fiscal Years 2025-2029 Capital Improvement Program as approved in connection with Ordinance 27107-09-2024.

These projects are located in COUNCIL DISTRICTS 2, 7, 8, and 10.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the various capital projects within the 2022 Bond Program Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the 2022 Bond Program Fund for the Avondale Haslet Road, Everman Pkwy (Rosedale Springs and Keller Hicks Road projects. Prior to an expenditure being incurred, the Transportation and Public Works Department has the responsibility of verifying the availability of funds.

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