

Mayor and Council Communication

DATE: 04/28/26

M&C FILE NUMBER: M&C 26-0331

LOG NAME: 20KROGER BASSWOOD UPRR AGREEMENT

SUBJECT

(CD 4) Authorize Execution of Two Public Highway At-Grade Crossing Improvement Agreements with Union Pacific Railroad Company for Railroad Crossing Improvements at Kroger Drive in the Amount of \$1,173,055.00 and Basswood Boulevard in the Amount of \$1,146,643.00 and Amend the Fiscal Years 2026-2030 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a public highway at-grade crossing improvement agreement with Union Pacific Railroad Company at Kroger Drive in the amount of \$1,173,055.00;
2. Authorize execution of a public highway at-grade crossing improvement agreement with Union Pacific Railroad Company at Basswood Boulevard in the amount of \$1,146,643.00; and
3. Amend the Fiscal Years 2026-2030 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize execution of two Public Highway At-Grade Crossing Agreements, each with a crossing fee and construction costs, with Union Pacific Railroad Company (UPRR) for the Kroger Drive location, DOT 795357K MP 741.74 – Choctaw Subdivision, Fort Worth, Tarrant County, Texas and for the Basswood Boulevard location, DOT 795360T MP 744.34 – Choctaw Subdivision, Fort Worth, Tarrant County, Texas (City Project No. 101015-1) for updating the railroad signals, adding additional gate arms and railroad paneling and to accommodate a sidewalk on Basswood Boulevard. The City's project to make improvements to the Kroger Drive and Basswood Blvd. intersections with US 377 have long been on hold pending negotiations for these railroad crossing agreements.

The Kroger Drive agreement calls for \$35,018.00 for the increased area within the UPRR right of way required to widen the existing crossing and \$1,138,037.00 in construction and equipment costs that the UPRR will procure and install.

The Basswood Boulevard agreement calls for \$47,500.00 for the increased area within the UPRR right of way required to widen the existing crossing and \$1,099,143.00 in construction and equipment costs that the UPRR will procure and install.

Upon execution of the agreements, long-lead materials will be procured by UPRR, and it is anticipated that the city portion of the project will go to bid within 12 months, subject to delivery of those materials.

The intersection improvements for this project impact the Texas Department of Transportation (TxDOT) right-of-way and will also require a Local On-System Agreement, which is in progress.

This project is part of the 2018 Bond Program. Negotiations with UPRR for the agreements subject to this M&C started in 2019, before COVID-19. During and after COVID-19, UPRR went through an organizational restructuring, and responses were delayed. Negotiations resumed in 2022 and extended through the fall of 2025 due to an impasse between the City and UPRR regarding railroad crossing maintenance fees.

The table below summarizes available funding for the project:

Fund	Existing Funding	Project Total
34018 – 2018 Bond Program	\$9,645,000.00	\$9,645,000.00
34017 - TaxNote2017	500,000.00	500,000.00
Totals	\$10,145,000.00	\$10,145,000.00

These funds were not included in the Fiscal Years (FY) 2026-2030 Capital Improvement Program because the final construction and Railroad agreement costs were unknown at the time of the project development. This M&C action will amend the FY 2026-2030 Capital Improvement

Program as approved in connection with Ordinance 27979-09-2025.

Funding is budgeted in the 2018 Bond Program Fund for the Transportation & Public Works Department for the purpose of funding the US 377 at Basswood Boulevard and US 377 at Kroger Drive project, as appropriated.

This project is located in COUNCIL DISTRICT 4.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: Union Pacific Railroad Company

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the 2018 Bond Program Fund for the Basswood @US 377 & Kroger @377 project to support the approval of the above recommendations and execution of the contract. Prior to any expenditure being incurred, the Transportation and Public Works Department has the responsibility to validate the availability of funds.

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

Originating Business Unit Head: Lauren Prieur 6035

Additional Information Contact: Monty Hall 8662