

Mayor and Council Communication

DATE: 05/21/24

M&C FILE NUMBER: M&C 24-0451

LOG NAME: 20NW LOOP820 & MARINE CREEK PKWY AFA

SUBJECT

(CD 2) Rescind Resolution Number 5610-09-2022 and Ordinance Number 25696-09-2022, Adopt Resolution Authorizing Execution of an Advance Funding Agreement with the Texas Department of Transportation in the Amount of \$4,619,291.00, with Federal Participation in the Amount of \$2,720,000.00, State Participation in the Amount of \$1,159,291.00 and Local Participation in the Amount of \$740,000.00 Plus Any Cost Overruns for the Intersection Improvements at the Northwest Loop 820 and Marine Creek Parkway – Phase 2 Project, Adopt Appropriation Ordinances and Amend the Fiscal Years 2024-2028 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Rescind Resolution Number 5610-09-2022;
2. Rescind Ordinance Number 25696-09-2022;
3. Adopt the attached resolution authorizing the execution of an Advanced Funding Agreement (CSJ: 0008-14-137) with the Texas Department of Transportation in the amount of \$4,619,291.00, with Federal Participation in the amount of \$2,720,000.00, State Participation in the amount of \$1,159,291.00 and Local Participation in the amount of \$740,000.00 plus any cost overruns for the intersection improvements at North West Loop 820 and Marine Creek Parkway – Phase 2 Project (City Project No. 101585);
4. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grant Capital Projects Federal Fund, subject to receipt of the grant, in the amount of \$2,720,000.00 for the purpose of funding intersection improvements at North West Loop 820 and Marine Creek Parkway – Phase 2 Project (City Project No. 101585);
5. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grant Capital Projects State Fund, subject to receipt of the grant, in the amount of \$680,000.00 for the purpose of funding intersection improvements at North West Loop 820 and Marine Creek Parkway-Phase 2 Project (City Project No. 101585); and
6. Amend the Fiscal Years 2024-2028 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to rescind Resolution No. 5610-09-2022 as well as Ordinance No. 25696-09-2022 as adopted by M&C 22-0688 dated September 13, 2022, and adopt a new resolution authorizing execution of an Advanced Funding Agreement (AFA) for intersection improvements North West (NW) Loop 820 and Marine Creek Parkway – Phase 2 Project (City Project No. 101585).

Resolution No. 5610-09-2022 was based on a draft Advance Funding Agreement (AFA) which classified this project as On-System and the estimated construction cost should have been split between federal and state participation at 80% and 20%, respectively, instead of the City bearing the 20% construction cost. This M&C corrects the financial allocation and alleviates approximately \$850,000.00 in local government responsibility. Ordinance No. 25696-09-2022 is being rescinded as a result of the change. Project management and design costs in the amount of \$740,000.00 remain City responsibility as well as any construction cost overruns.

TxDOT submitted a revised AFA for the project, for which a new resolution and related appropriation ordinance needs to be adopted.

The intersection improvements at NW Loop 820 and Marine Creek Parkway – Phase 2 Project include enhancement to safety, traffic flow, pavement markings, signage, and Americans Disabilities Act (ADA) compliant crosswalks.

The City will let this project after receiving a State Letter of Authority (SLOA) and Federal Project Authorization and Agreement (FPAA) from TxDOT.

The table below summarizes the total cost for the intersection improvements at NW Loop 820 and Marine Creek Parkway – Phase 2 Project (City Project No. 101585):

Description	Total	%	Federal	%	State	%	Local
Engineering	\$670,000.00	0%	\$0.00	0%	\$0.00	100%	\$670,000.00
Environmental	\$70,000.00	0%	\$0.00	0%	\$0.00	100%	\$70,000.00

Construction	\$3,400,000.00	80%	\$2,720,000.00	20%	\$680,000.00	0%	\$0.00
Subtotal	\$4,140,000.00		\$2,720,000.00		\$680,000.00		\$740,000.00
Direct State Cost	\$479,291.00	0%	\$0.00	100%	\$479,291.00	0%	\$0.00
Total	\$4,619,291.00		\$2,720,000.00		\$1,159,291.00		\$740,000.00

Fund	Federal	State	Local	Total
34018 - 2018 Bond Program Fund			\$740,000.00	\$740,000.00
31002 - Grants Capital Project State Fund (20%)		\$680,000.00		\$680,000.00
Unappropriated State Cost		\$479,291.00		\$479,291.00
31001- Grants Cap Projects Federal Fund (80%)	\$2,720,000.00			\$2,720,000.00
Grand Total	\$2,720,000.00	\$1,159,291.00	\$740,000.00	\$4,619,291.00

The table below summarizes past appropriations, sources, additional funding, and the estimated total cost of the project at completion:

Fund	Existing Funding	Additional Funding	Project Funding Total
39001 - 2007 Critical Capital Projects Fund	\$1,196,851.90	\$0.00	\$7,676,851.90
34018 - 2018 Bond Program Fund	\$2,080,000.00	\$0.00	
30100 - General Capital Projects Fund	\$1,000,000.00	\$0.00	
31001 – Grants Cap Projects Federal Fund	\$0.00	\$2,720,000.00	
31002 - Grants Capital Project State Fund	\$0.00	\$680,000.00	

Funding for this project was included in the Fiscal Years 2024-2028 Capital Improvement Program in the amount of \$4,276,851.90. The action in this M&C will amend the FY2024-2028 Capital Improvement Program as approved in connection with Ordinance 26453-09-2023.

This project is included in the 2018 Bond Program. Available resources within the General Fund will be used to provide interim financing until the debt is issued. Once debt associated with the project is sold, bond proceeds will reimburse the General Fund in accordance with the statement expressing official Intent to Reimburse that was adopted as part of the ordinance canvassing the bond election (Ordinance No. 23209-05-2018) and subsequent actions taken by the Mayor and Council.

The above-mentioned project is located in COUNCIL DISTRICT 2.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: Texas Department of Transportation

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, in the Grants Cap Projects Federal Fund and the Grants Capital Project State

Fund. 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 an expenditure bing incurred, the Transportation and Public Works Department has the responsibility to validatie the availability of funds. This is a State Advance Funding Agreement.

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