

# Mayor and Council Communication

**DATE:** 02/24/26

**M&C FILE NUMBER:** M&C 26-0151

**LOG NAME:** 20MEACHAM BLVD AFA

**SUBJECT**

(CD 2) Adopt Resolution Authorizing Execution of an Advance Funding Agreement with the Texas Department of Transportation in the Amount Up to \$38,646,188.00, with City Participation in the Amount Up to \$10,159,053.00 Plus Any Cost Overruns, for the Meacham Boulevard Project, Adopt Appropriation Ordinances, and Amend the Fiscal Years 2026-2030 Capital Improvement Program (2022 Bond Program)

**RECOMMENDATION:**

It is recommended that the City Council:

1. Adopt the attached resolution authorizing execution of an Advance Funding Agreement with the Texas Department of Transportation in the amount up to \$38,646,188.00, with city participation in the amount up to \$10,159,053.00 plus any cost overruns, for the Meacham Boulevard project (City Project No. 103272);
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Capital Projects Federal Fund, in the amount up to \$27,360,000.00, subject to receipt of the grant, for the purpose of funding the Meacham Boulevard project (City Project No. 103272);
3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Capital Project State Fund, in the amount up to \$1,026,000.00, subject to receipt of the grant, for the purpose of funding the Meacham Boulevard project (City Project No. 103272); and
4. Amend the Fiscal Years 2026-2030 Capital Improvement Program.

**DISCUSSION:**

The Meacham Boulevard project includes widening Meacham Blvd to a four-lane divided thoroughfare with shared use paths, storm sewer upgrades, streetlights, signalization, signage, and pavement markings, as well as adding pedestrian railing and sidewalks to the bridge over the Burlington Northern Santa Fe Railroad. The project also includes complete roadway and drainage replacement along Meacham Blvd from Deen to IH35W Right-of-Way (ROW) and along Meacham Blvd from the intersection of Blue Mound Road (Rd) (FM 156) ROW to IH35W.

This project has federal and state funding in the respective amounts of \$27,360,000.00 and \$1,127,135.00 for construction improvements. City of Fort Worth is responsible for funding engineering, ROW acquisition, environmental studies, utility relocations, project management services for this project, and a minimum of twenty percent of the construction cost.

On June 14, 2022, Mayor & Council Communication (M&C) 22-0440, the City Council authorized execution of an Engineering Agreement with AECOM Technical Services, Inc. for engineering and design services for the project. Construction is anticipated to be let by the City of Fort Worth in the Fall of 2027. The Advance Funding Agreement (AFA) requires the City to bear the responsibility of cost overruns. At the end of the project, the asset will remain with the City of Fort Worth.

Funding for the required local match is anticipated to be from the 2026 Bond Program funds appropriated to the project in a separate M&C. The full local contribution amount for this AFA will be available to the project contingent on voter approval of the 2026 Bond Program. The City's acceptance of the AFA with TXDOT is contingent on the 2026 Bond funding. If the portion of the Bond for the Meacham Boulevard project were not to pass, then the City would either not be able to accept the AFA funding or would have to secure other funding for the match.

The table below summarizes the AFA funding amounts:

<b>Total AFA Funding Amounts for the Meacham Blvd Phase 2 project (City Project No. 103272)</b>				
<b>Fund</b>	<b>Federal Participation</b>	<b>State Participation</b>	<b>Local Participation</b>	<b>Total</b>
31001- Grants Capital Projects Federal Fund	\$27,360,000.00	\$0.00	\$0.00	\$27,360,000.00
31002 - Grants				

Capital Project State Fund	0.00	1,026,000.00	0.00	1,026,000.00
2026 Bond Program Fund (anticipated)	0.00	0.00	10,159,053.00	10,159,053.00
Unappropriated State Costs - Indirect State Costs	0.00	101,135.00	0.00	101,135.00
<b>Total</b>	<b>\$27,360,000.00</b>	<b>\$1,127,135.00</b>	<b>\$10,159,053.00</b>	<b>\$38,646,188.00</b>

The funding for this project is summarized in the table below:

Fund	Existing Funds	Additional Appropriations	Project Total
34027 – 2022 Bond Program	\$239,947.00	\$0.00	\$239,947.00
30108 – Transportation Impact Fee Capital Fund	2,068,281.08	0.00	2,068,281.08
30104 – Developer Contribution Fund	700,000.00	0.00	700,000.00
39008 – Transportation Impact Fee Capital Legacy Fund	131,718.92	0.00	131,718.92
31001 - Grants Cap Projects Federal Fund	0.00	27,360,000.00	27,360,000.00
31002 - Grants Cap Projects State Fund	0.00	1,026,000.00	1,026,000.00
<b>Project Total</b>	<b>\$3,139,947.00</b>	<b>\$28,386,000.00</b>	<b>\$31,525,947.00</b>

Funding will be budgeted in the Grants Cap Projects Federal Fund and the Grants Capital Project Other Fund for the Transportation and Public Works Department for the purpose of funding the Meacham Blvd Phase 2 project.

This project is included in the 2022 Bond Program. The City's Extendable Commercial Paper (ECP) (M&C 22-0607; Ordinance 25675-08-2022) provides liquidity to support the appropriation. Available resources will be used to actually make any interim progress payments until debt is issued. Once debt associated with a project is sold, debt proceeds will reimburse the interim financing source in accordance with the statement expressing official Intent to Reimburse that was adopted as part of the ordinance canvassing the bond election (Ordinance 25515-05-2022).

Funding for the project was not included in the Fiscal Years 2026-2030 Capital Improvement Program (CIP) due to grant funding becoming available that required a local match, which was not known at the time of the development of the CIP. The action in this M&C will amend the

This 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: TxDOT

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**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 Cap Projects 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 to an expenditure being incurred, the Transportation and Public Works Department has the responsibility to validate the availability of funds. This is a State Advance Funding Agreement.

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

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