



22-0289

TITLE: Consider/Discuss/Act on an Ordinance Amending the Fiscal Year 2021 - 2022 Annual Budget and Amending the 2022 - 2026 Capital Improvements Program to Provide Funds for the Eldorado and Custer Intersection / Bridge Improvements Project

COUNCIL GOAL: Operational Excellence
(2B: Balance available resources to accommodate the growth and maintenance needs of the city)

MEETING DATE: April 5, 2022

DEPARTMENT: Development Services / Engineering

CONTACT: Nicholas Ataie, P.E., Engineering CIP Manager
Gary Graham, P.E., Director of Engineering

RECOMMENDED CITY COUNCIL ACTION:

- Approval of the Ordinance.

ITEM SUMMARY:

- This Ordinance amends the Fiscal Year 2021 - 2022 Annual Budget and the 2022 - 2026 Capital Improvement Program to provide additional project funding associated with a Chapter 380 Economic Development Agreement ("Agreement") for expanded improvements along Eldorado Parkway from the Globe Life driveway to Orion Drive as part of the Eldorado and Custer Intersection / Bridge Improvements Project (CIP Project ST1838) for a total increase of \$900,000.
- Additional funding necessary for the expanded improvement limits along Eldorado Parkway (up to a capped amount) per the Agreement are available in CIP Project ST1838.

BACKGROUND INFORMATION:

- CIP Project ST1838 (Eldorado and Custer Intersection / Bridge Improvements Project) is currently fully-funded in the FY22 annual budget and includes a widening of Eldorado Parkway from Custer Road to approximately 850 feet east

of Custer Road. The project will expand Eldorado Parkway to 6-lanes including a widening of an existing bridge structure and various intersection capacity improvements at Custer Road.

- In preparation for the incoming H-E-B grocery store development (the “Developer”) at the northeast corner of Custer Road and Eldorado Parkway, the City and Developer executed a non-binding term sheet in February 2022 which would provide additional city funding participation to expand the limits of CIP Project ST1838 to Orion Drive (approximately 2,050 feet east of Custer Road).
- The goal of this Agreement includes completion of all master planned improvements to Eldorado Parkway along the frontage of the incoming H-E-B grocery store in advance of its planned opening currently estimated to occur in 2023.
- Under this term sheet, the City will participate in the additional costs of the expanded project limits up to a capped amount (\$1,300,000 per the executed term sheet).
- On March 3, 2022, the MCDC Board unanimously approved a request for funding support in the amount of \$400,000 to support these additional improvements along Eldorado Parkway.
- An additional \$500,000 is currently available in collected roadway impact fees (Zones G and H) which are eligible to be used immediately for these master-planned improvements.
- Estimated roadway impact fees to be collected from the Developer are estimated at \$700,000 which will be paid in normal course through the development process. Those collected roadway impact fees, once collected, will be either applied to the associated project costs for the expanded improvements along Eldorado or utilized for other eligible projects at a later date.
- Remaining funding up to the estimated \$1,300,000 city participation under this agreement is currently available in CIP Project ST1838 through other revenue sources.
- This budget ordinance amends the FY22 annual budget and the FY22-26 Capital Improvement Program by increasing the revenues in CIP Project ST1838 by \$900,000 (\$400,000 in MCDC funds and \$500,000 in available roadway impact fee funds).
- A Chapter 380 Economic Development Agreement between the City and Developer formalizing this agreement will be included on an upcoming city council agenda.

FINANCIAL SUMMARY:

- This Ordinance amends the Fiscal Year 2021 - 2022 Annual Budget and the 2022 - 2026 Capital Improvement Program to provide additional project funding

associated with a Chapter 380 Economic Development Agreement for expanded improvements along Eldorado Parkway from the Globe Life driveway to Orion Drive as part of the Eldorado and Custer Intersection / Bridge Improvements Project (CIP Project ST1838) for a total of \$900,000.

- With this amendment, the total project budget for Eldorado and Custer Intersection / Bridge Improvements Project (CIP Project ST1838) will increase from \$2,600,000 to \$3,500,000.

SUPPORTING MATERIALS:

[Ordinance](#)

[Project Limits Map](#)