



21-0367

TITLE: Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute Agreements with the Texas Department of Transportation to Contribute Right of Way Funds for the US Highway 380 Project from Airport Drive to 4th Street in Princeton

COUNCIL GOAL: Direction for Strategic and Economic Growth
(1A: Establish regional and infrastructure incentives to increase economic growth)

MEETING DATE: May 4, 2021

DEPARTMENT: Development Services / Engineering

CONTACT: Nick Ataie, PE, Engineering CIP Manager
Gary Graham, PE, Director of Engineering

RECOMMENDED CITY COUNCIL ACTION:

- Approval of Resolution

ITEM SUMMARY:

- This item authorizes the City Manager to execute a fixed price agreement with the Texas Department of Transportation (TxDOT) for the required local funding participation related to right of way acquisition for the planned US 380 widening project from Airport Drive to 4th Street in Princeton (RCSJ 0135-03-055, CCSJ 0135-03-046).

BACKGROUND INFORMATION:

- The Texas Department of Transportation (TxDOT) is currently advancing land acquisition for the planned improvements to US 380 (Airport Drive to 4th Street) in McKinney, Lowry Crossing, and Princeton.
- The planned improvements consist of a widening of US 380 from a 4-lane divided roadway to a 6-lane divided roadway.
- These planned improvements to US 380 are not associated with the ongoing planning and environmental efforts associated with conversion of US 380 to a

limited-access freeway facility.

- At this time the letting (bidding for construction) of the project is planned to occur in January 2023 pending TxDOT identification and allocation of construction funding. TxDOT may split construction into two separate projects as follows:
 - Airport Drive to Bridgefarmer Road
 - Bridgefarmer Road to 4th Street
- The portion of the project within or partially within the City of McKinney city limits (Airport Drive to Approximately 1,700 feet west of Bridgefarmer Road) has been determined to require purchase of minor right-of-way by TxDOT for the purposes of constructing the roadway improvements and costs associated with relocating certain franchise utilities.
- As typical for TxDOT system roadway improvements, TxDOT is requesting a 10% local funding contribution for costs associated with acquiring necessary right-of-way and/or reimbursable franchise utility costs for the planned improvements. TxDOT will fund the remaining 90% of the anticipated cost necessary to acquire right-of-way and/or reimburse franchise utility costs and will assume responsibility for administering the acquisitions.
- The 10% local contribution by the City of McKinney is only applicable to anticipated right-of-way located in city limits at the time of this agreement and does not apply to right-of-way required outside of city limits but within the City of McKinney ETJ.
- In order to facilitate contribution of our local match, TxDOT has prepared an standard agreement entitled “Agreement to Contribute Right of Way Funds (Fixed Price)” for execution by the City of McKinney for the project.
- Anticipated fixed right-of-way costs provided in the agreement are as follows based on current design of the improvements:
 - Right-of-Way Acquisition *
 - Total Estimated Costs: \$746,161.00
 - State Participation (90%): \$671,544.90
 - City of McKinney Contribution (10%): \$74,616.10
 - Utility Adjustments *
 - Total Estimated Costs: \$167,947.00
 - State Participation (90%): \$151,152.30
 - City of McKinney Contribution (10%): \$16,794.70
- Because the agreements are “fixed price”, the local contribution amount is not subject to change unless site conditions change, work requested by the local government is ineligible for federal participation, or an adjustment is mutually

agreed on by the TxDOT and the local government.

- Staff requested a deferred payment clause be included in the agreement to accommodate a delayed payment to TxDOT pending approval of the FY22 Capital Improvement Program (CIP) budget which will include funding for right of way and reimbursable utility cost participation. Although no immediate payment is required, TxDOT has requested that both agreements be executed as soon as possible in order to continue to advance the project.

FINANCIAL SUMMARY:

- The agreements do not require any immediate financial contribution upon execution by the City of McKinney, but request the local contribution be submitted to TxDOT by December 1, 2021.
- The total local (City of McKinney) fixed contribution amount for the project agreements is \$91,410.80.
- Funding is planned to be available for both agreements and will be included in the proposed FY22 Capital Improvements Program (CIP) Project “US 380 East TxDOT Local Contribution”. The proposed funding source(s) for this expenditure is planned to be through a combination of collected roadway impact fees (Zone L) and previously issued transportation/street bonds.

BOARD OR COMMISSION RECOMMENDATION:

- N/A

SUPPORTING MATERIALS:

[Project Location Map](#)

[Resolution](#)

[Agreement](#)