



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 21-0978, **Version:** 1

Consider/Discuss/Act on a Resolution Authorizing the City Manager to Enter into an Advance Funding Agreement with the Texas Department of Transportation for Improvements at US Highway 380 and Community Avenue

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

MEETING DATE: November 2, 2021

DEPARTMENT: Development Services / Engineering

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

RECOMMENDED CITY COUNCIL ACTION:

- Approval of the Resolution.

ITEM SUMMARY:

- This Resolution authorizes the City Manager to enter into an Advance Funding Agreement with the Texas Department of Transportation (TxDOT) Outlining Obligations, Funding Sources, and Requirements for Improvements at US Highway 380 and Community Avenue (CIP Project ST2011)

BACKGROUND INFORMATION:

- The City of McKinney Engineering Department has identified a need for intersection capacity improvements at US 380 and Community Avenue including the addition of additional turn lanes and traffic flow improvements.
- The current scope of work for the project (CIP Project ST2011) includes reconstruction of the intersection to provide dual-left turn lanes in the eastbound, westbound, and southbound directions as well as providing a westbound right-turn lane. The intent of this project is to improve intersection capacity and safety.
- The Engineering Department previously submitted the planned improvements to the North Central Texas Council of Governments (NCTCOG) for grant funding opportunities through the Congestion Mitigation and Air Quality (CMAQ) Program.
- In early 2021, the City of McKinney was notified that the RTC approved CMAQ funding for the project under the Metropolitan Transportation Plan (MTP) Policy Bundle TDC Program and the project has been included in the Transportation Improvement Program (TIP).
- Funding for the project includes CMAQ funding (Federal Participation) in the amount of

\$1,200,000 with the 20% local match offset by 240,000 worth of Transportation Development Credits (TDCs) previously approved by City Council on August 17, 2021 (Resolution No. 2021-08-099).

- The federal funding approved for this project will be utilized for the construction phase with local funding to be utilized for the design and land acquisition phases. In addition, the city would be required to cover any additional construction cost beyond the federal funding committed.
- The current estimated project cost is approximately \$2 million. The estimated federal funding participation for the project is 60%.
- The FY22 Capital Improvement Plan budget for CIP Project ST2011 includes the anticipated federal funding in the amount of \$1,200,000 as well as \$800,000 in roadway impact fees.
- The Advance Funding Agreement (AFA) outlines use and responsibilities related to the federal funding only for the construction phase of the project. The AFA will be executed by the Texas Department of Transportation (TxDOT; authorized by the federal government to administer the federal funding) and the City of McKinney.
- The Project funding schedule has been established under the TIP with the engineering phase planned to begin in early 2022 and construction planned to begin in 2023.

FINANCIAL SUMMARY:

- Grant funding for the project (ST2011) has been included in the FY2022-2026 Capital Improvements Plan in the amount of \$1,200,000.
- Under this agreement, the total “Local Participation” as shown in Attachment C of the AFA is \$24,000 to cover direct costs associated with TxDOT administration of the project.
- Pending execution of this agreement and initial payment to TxDOT by the city for direct costs, \$1,976,000 will remain in CIP Project ST2011 (inclusive of grant funding committed to the project).

BOARD OR COMMISSION RECOMMENDATION:

- N/A