

## CITY COUNCIL MEMORANDUM

### AGENDA ITEM

**AUTHORIZE THE CITY MANAGER TO ENTER INTO AN ADVANCE FUNDING AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION TO DESIGN AND CONSTRUCT AN EXTENSION TO ROSEWOOD DRIVE AND HERITAGE OAKS HIKE AND BIKE TRAIL SEGMENT 3**

### ORIGINATING DEPARTMENT

**Public Works - Transportation Division**

### BACKGROUND INFORMATION

On September 25, 2015, the Killeen-Temple Metropolitan Planning Organization (KTMPPO), in cooperation with the Federal Highway Administration, issued a call for project nominations for the Surface Transportation Program Metropolitan Mobility (STPMM) funding. Under the program, 80% of eligible project costs can be reimbursed with the nominating entity providing at least 20% of the project's allowable costs.

On October 27, 2015, the City Council authorized the City Manager to submit a STPMM application for the extension of Rosewood Drive and Heritage Oaks Hike and Bike Trail, Segment 3, hereinafter called Rosewood Extension (CCM/R 15-123R). On November 10, 2015, the City of Killeen submitted an application to KTMPPO requesting \$6,000,000 for the 2015 STPMM call for projects. The City was awarded a total amount of \$5,003,585 for the Rosewood Extension project.

This project provides for improved access and more transportation choices for the community, especially to commercial areas by building a continuous direct connection from the southernmost City limits to La Cascata and US 190, as well as creating another half-loop around the City from US 190 to SH 195 via Chaparral. This project enhances mobility within the City of Killeen as well as for the region and will shorten public safety response times in the southeast quadrant of the City.

### DISCUSSION/CONCLUSION

The proposed project entails constructing a five (5)-lane roadway, including a bridge over Trimmier Creek and extending the existing Rosewood Drive south to Chaparral Road. The proposal would also include the continuation of Heritage Oaks Hike and Bike Trail Segment 3, which will connect the existing trail along Rosewood Drive, to Harker Heights' Purser Family Park, and to the Heritage Oaks Park area and the recently awarded Heritage Oaks Hike and Bike Trail, Segment 4.

By entering into an Advance Funding Agreement (AFA) with TxDOT, the City agrees to commit to the project's design, development, implementation, construction, maintenance, management, and funding. The City of Killeen further agrees to provide a local match of 20% or greater of

the total project cost, including being responsible for all non-federally funded items, TxDOT's administrative costs (15%), and 100% of all overruns. As with all AFAs, TxDOT requires advanced payment of the State's projected direct and indirect costs associated with review, inspection, administration, and oversight of the project. The estimated total payment to TxDOT for the aforementioned is \$47,646. With a commitment to this AFA, City Council can expect to see the following items on future agendas: a professional services agreement for the design of this project totaling approximately \$750,000 (\$600,000 federal funds with a \$150,000 City match), an advanced funding agreement for a portion of the construction of Heritage Oaks Hike and Bike Trail, Segment 3 totaling approximately \$800,000 (\$640,000 federal funds with a \$160,000 City match), and finally a construction contract totaling approximately \$8,005,000 (\$4,403,585 federal funds with a \$2,961,415 City match). The preceding constitutes a total project cost of \$8,755,000, of which \$5,643,585 (64%) is reimbursed by the federal government and \$3,111,415 (36%) is funded by the City of Killeen. It is also City staff's intent to compete for an additional \$356,415 in FY'18 Category 7 funds through KTMPO once funds are identified and a call for projects issued (estimated in December, 2016). If successful securing the additional funds, the City's cost participation will be \$2,755,000 and the federal reimbursement amount will be \$6,000,000.

## **FISCAL IMPACT**

The total fiscal impact associated with this agreement is \$47,646, of which \$14,256 is due upon execution of the AFA with the remaining \$33,390 being due within 60 days prior to construction bid advertising. Funding is available in the account 347-3490-800-58-96. As in the past, funding of matching amounts will be repaid following the passage of a Reimbursement Resolution. Any amounts advanced will be repaid to the appropriate funding source upon receipt of revenue from a future issuance of Certificates of Obligation Bonds.

## **RECOMMENDATION**

City staff recommends that the City Council authorize entering into an Advance Funding Agreement with the Texas Department of Transportation for the Surface Transportation Program Metropolitan Mobility and further authorize the City Manager to execute the same.