



## STAFF REPORT

**DATE:** March 1, 2022

**TO:** Kent Cagle, City Manager

**FROM:** Andrew Zagars, City Engineer

**SUBJECT:** Authorize the City Manager to enter into an Advance Funding Agreement with the Texas Department of Transportation for the WS Young Drive and Little Nolan Road Traffic Signal HSIP Grant Project.

### **BACKGROUND AND FINDINGS:**

On August 12, 2020, the Texas Department of Transportation (TxDOT) held a statewide call for safety improvement projects on and off the state highway system and encouraged the participation of cities and counties. The purpose of the Highway Safety Improvement Program (HSIP) is to provide funds for eligible construction costs for the road safety projects in an effort to facilitate a significant reduction in traffic fatalities and incapacitating injuries on all public roads.

On September 28, 2020, the City of Killeen Engineering Division submitted an application for the HSIP by proposing a project at the intersection of WS Young Dr. and Little Nolan Rd. On April 12, 2021, TxDOT notified the City of the project's qualification and selection of the project to the HSIP. Since receiving the notification, the City has moved forward with the design of the project in order to keep the project moving forward and on schedule as TXDOT worked to draft an Advance Funding Agreement (AFA) for the federal funding.

Prior to the expenditure of HSIP funds for construction, the City is required to enter into an AFA, attached hereto and incorporated herein. Funding for off-system projects such as WS Young Drive and Little Nolan Road, non-state roads, typically requires a contribution of 10 percent of the total construction costs and 100 percent of all costs that exceed the available HSIP program dollars. For this project, TXDOT will fund 100 percent of all construction costs up to the approved amount of \$322,700. The City is responsible for the design of the project, utility relocations, and any right-of-way needed for the project. In addition, any cost overruns above the approved amount will be the responsibility of the City to fund.

The City included this project in the adopted Capital Improvement Project List in 2021 with funding for the project prior to the award of the grant. These funds will be used for the portion of the project that the City is responsible for.

### **THE ALTERNATIVES CONSIDERED:**

Alternative 1 - Do not approve entering into this agreement. Doing so will forfeit the Federal funding for this project and having TXDOT construct the new signal. This would require the

City to fully fund and construct the project as previously proposed in the Capital Improvement Plan.

Alternative 2 - Authorize the City Manager to enter into an AFA with TXDOT to accept the federal funding and allow TXDOT to construct a new signal at the intersection of WS Young Drive and Little Nolan Road.

**Which alternative is recommended? Why?**

City staff recommends Alternative 2 so that the City can use federal funding for this project.

**CONFORMITY TO CITY POLICY:**

This item conforms to state, city, and local purchasing policies and regulations.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

The City design cost for the project is \$50,500 to be spent in this current fiscal year. The City is responsible for construction costs exceeding the amount allocated by TxDOT.

**Is this a one-time or recurring expenditure?**

This is a one-time expenditure.

**Is this expenditure budgeted?**

Yes, funds are available in the Governmental CIP Fund account 349-8934-493.61-60.

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Yes

**RECOMMENDATION:**

City staff recommends that the City Council authorize the City Manager to enter into an AFA with TxDOT for the WS Young Drive and Little Nolan Road Traffic Signal HSIP grant, and that the City Manager be further authorized to execute any and all change orders within the amounts established by state and local law.

**DEPARTMENTAL CLEARANCES:**

Development Services  
Finance  
City Attorney

**ATTACHED SUPPORTING DOCUMENTS:**

Project Budget  
Agreement