

MEMORANDUM

TO: Donna Barron, City Manager

FROM: David Salmon, P.E., City Engineer

VIA: Eric Ferris, Deputy City Manager

DATE: July 17, 2018

SUBJECT: Approval of Amendment #1 to a Local Project Advance Funding Agreement With the Texas Department of Transportation Related to Construction and Funding of Valley Ridge Blvd; and Authorization for the City Manager to Execute the Agreement.

BACKGROUND

The Valley Ridge project, now completed consists of a four-lane divided street, a 30-inch waterline from Cowen Avenue to College Street including a bridge over Prairie Creek and associated drainage, water line, sanitary sewer improvements. Funding for the segment of Valley Ridge Boulevard between Mill Street and College Street was approved with the 2003 City of Lewisville Bond Program and Denton County Trip-04 Bond Program with an estimated construction cost at the time of \$10,000,000. An interlocal agreement between the City of Lewisville and the Denton County was executed on October 5, 2009 to establish a total reimbursement from Denton County of \$5,000,000 for the Valley Ridge Boulevard (Mill Street to College Street) Improvements for design and construction. City Council on December 1, 2014 awarded the construction contract for Valley Ridge Blvd. to Mario Sinacola and Sons Excavating, Inc. in the amount of amount of \$14,639,622.90 including \$697,124.90 (approximately 5%) for Contingencies. In addition, the City Council approved a change order on August 17, 2015 in the amount of \$2,437,270.00 due to unexpected buried trash & debris encountered between Prairie Creek and College Street.

In late 2014 to cover lost County Trip-08 funding for West College Street and South Kealy Avenue, the City of Lewisville submitted a Transportation Improvement Program modification (TIP mod) to the North Central Texas Council of Governments (NCTCOG) for Valley Ridge Blvd. in the amount of \$5,875,000 (20% local and 80% RTR funding) to replace \$4,700,000 in City Bond Funding allocated to the Valley Ridge project with RTR funding and in turn use \$4,700,000 of City bond money from Valley Ridge to replace the original Trip-08 funding for Kealy Avenue and College Street. RTR funding is only available for 4-lane divided roadways and larger, thus the purpose of requesting the money for Valley Ridge and reallocating local funds rather than simply requesting money for Kealy and College, both 2-lane streets. The TIP mod was approved using the original \$5,000,000 Denton County Bond Funding as the local match for Valley Ridge. A Local Project Advance Funding Agreement (LPAFA) between Lewisville and TXDOT was approved by the City Council in November 2015 and subsequently executed by both the City and TXDOT securing the RTR funding. That money has been received by the City.

Due to cost overruns on the Valley Ridge project, Staff moved money from the Northwest Old Town Street project into the Valley Ridge project and submitted a second TIP Mod to the NCTCOG in 2017 requesting an additional \$3,000,000 in RTR funds for Valley Ridge, so local money could be moved back to NW Old Town. NCTCOG ultimately recommended only \$1,300,000. The subject LPAFA Amendment adds the \$1,300,000 to the Valley Ridge RTR funding.

ANALYSIS

Per the agreement, TXDOT will reimburse the City \$1,300,000 for the construction of Valley Ridge Blvd. Once the RTR funding is transferred to the City for Valley Ridge, an equal amount of City bond funds can be transferred back to the NW Old Town project. Staff is negotiating a revised PSA for design of the NW Old Town project. The City is in the process of submitting all invoices and accounting to TXDOT to document actual costs associated with Valley Ridge and close out the project.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the agreement as set forth in the caption above.