



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 13

**Agenda Date:** December 12, 2024

**In Control:** City Council A Session

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**DEPARTMENT:** Public Works Department

**DEPARTMENT HEAD:** Razi Hosseini

**COUNCIL DISTRICTS IMPACTED:** District 1

**SUBJECT:**

Advanced Funding Agreement (Transportation Alternatives Set-Aside Program): Market Street Cycle Track (Flores Street to IH-37)

**SUMMARY:**

An ordinance approving an Advanced Funding Agreement between the City of San Antonio and the Texas Department of Transportation (TxDOT), accepting reimbursement in the estimated amount not to exceed \$15,845,676.00 from TxDOT for civil engineering and construction-related expenses for the Market Street Cycle Track Project (Flores to IH-37), located in Council District 1. This project was selected for funding by TxDOT through their Transportation Alternatives Set-Aside Program and meets the criteria to receive Transportation Development Credits and therefore, will not be requiring a local City match.

**BACKGROUND INFORMATION:**

As part of the FY 2023 Adopted Budget, \$1,890,000.00 in General Funds was authorized for improvements for the Market Street Cycle Track Project to include a two-way bike lanes including pedestrian improvements as appropriate and within available funding from Flores Street to Interstate Highway (IH) 37.

This project was also selected for funding by TxDOT through their statewide Transportation Alternatives funding program. This Advanced Funding Agreement with TxDOT will allow civil engineering and construction-related project costs to qualify for federal cost-sharing up to the federally approved amount not to exceed \$15,845,676.00. This project meets the criteria to receive Transportation Development Credits and therefore does not require a local City match. The project's design will be funded by local funding and the remaining local funds if any will be used towards construction of the project's improvements.

The City will design and construct the improvements leveraging funding from TxDOT. Project construction is anticipated to begin in the Fall of 2026 and is estimated to be completed in the Winter of 2028.

#### **ISSUE:**

This ordinance approves an Advanced Funding Agreement between the City of San Antonio and the Texas Department of Transportation (TxDOT), accepting reimbursement in the estimated amount not to exceed \$15,845,676.00 from TxDOT for civil engineering and construction-related expenses for the Market Street Cycle Track Project (Flores to IH-37).

The Market Street Cycle Track project consists of constructing two-way bike lanes from Flores Street to IH-37 including upgraded traffic signals, bicycle and pedestrian safety lighting, signage and pavement markings. The City will design and construct the improvements leveraging funding from TxDOT. Project construction is anticipated to begin in the Fall of 2026 and is estimated to be completed in the Winter of 2028.

This project was selected for funding by TxDOT through their Transportation Alternatives Set-Aside Program and meets the criteria to receive Transportation Development Credits and therefore, will not be requiring a local City match. This Advanced Funding Agreement with TxDOT will allow civil engineering and construction-related project costs to qualify for federal cost-sharing up to the federally approved amount not to exceed \$15,845,676. Contingent upon the availability of funding and the award of construction, scheduled to be presented to the City Council at a later date, the City of San Antonio will be responsible for any construction costs overruns or changes to project scope. If funding for any of the overruns or changes to associated project scope has not previously been appropriated, funding will be identified and appropriated through subsequent City Council action, or the project scope will be value-engineered to be constructed within available funding.

Approval of these ordinances will continue the City's commitment to maintaining and improving existing infrastructure in collaboration with other governmental agencies.

#### **ALTERNATIVES:**

Alternatively, the City Council could choose not to approve this ordinance; however, the City will lose the opportunity to receive reimbursement from TxDOT, delaying the project or requiring a change in scope within budget. The most cost-effective option would be to approve the Advanced Funding Agreements with TxDOT.

**FISCAL IMPACT:**

This ordinance authorizes acceptance of funds from TxDOT for reimbursement of construction costs in an amount not to exceed \$15,845,676.00 in federal funds allocated to the City from TxDOT and administered by TxDOT as a federal pass-through grant associated with the construction of the Market Street Cycle Track project. Actual costs to be reimbursed by TxDOT will be finalized with the award of a construction contract.

Contingent upon the availability of funding and the award of construction, scheduled to be presented to the City Council at a later date, the City of San Antonio will be responsible for any construction costs overruns or changes to project scope. If funding for any of the overruns or changes to associated project scope has not previously been appropriated, funding will be identified and appropriated through subsequent City Council action, or the project scope will be value-engineered to be constructed within available funding.

**RECOMMENDATION:**

Staff recommends approving an Advanced Funding Agreement between the City of San Antonio and the Texas Department of Transportation (TxDOT) and accepting reimbursement in the estimated amount of \$15,845,676.00 from TxDOT for civil engineering and construction-related expenses for the Market Street Cycle Track project.