

Memorandum

To: Mayor and City Council Members
Steve Parker, City Manager

From: Melissa Reynolds, P.E., MPA, CFM, City Engineer

Through: Rick Cortes, Deputy City Manager

Subject: Resolution of the City Council of the City of Seguin, Texas authorizing approval of the Advance Funding Agreement of a project awarded for voluntary utility relocation contributions on State Highway Improvement Projects (SH 123: 0366-02-089); and declaring an effective date.

Date: November 4, 2025

Historical Background

TxDOT's subcontractor (Jacobs) provided the City with a Notification of Proposed Construction letter on June 11, 2024. The utility kick-off meeting was held on June 26, 2024 which identified utility conflicts associated with the SH 123 Expansion Project (CSJ 0366-02-089). The letting date for the SH 123 Project is tentatively scheduled for Spring 2026.

In October 2024, the City authorized a professional services agreement for design services related to the water and sewer relocations (24R-552).

Action Requested

TxDOT has provided the City with the attached Advance Funding Agreement (AFA) for the SH 123 Utility Relocation Project. The City is responsible for all design and construction costs associated with the utility relocation. When the project is complete, the City will accept it for maintenance.

Procurement Methodology & Funding Source

Procurements for construction contracts related to the utility relocation will follow all TxDOT procurement policies. The funding source for this project has been provided through FY2025 bonds.

Staff Recommendation

Staff recommends the Advance Funding Agreement with TxDOT be executed.

ATTACHMENTS

1. 2025-11-04 Resolution SH 123 Utility AFA
2. Advanced Funding Agreement