

June 25, 2014

To: Mayor and City Council Members

From: Douglas G. Faseler
City Manager

Re: Funding for TXDOT Transportation Enhancement Grant/Hike and Bike Trail Project/Walnut Branch Park Phase II

As discussed in the memo by Joe Ramos, City Engineer, the low bid recommended by TXDOT, and the total project, came in over the projects projected budget for the engineering, construction, and right of way acquisition. As outlined staff has identified several areas within the construction project that can be modified or deleted to reduce the cost of the project, however these exact costs still need to be negotiated with the successful bidder. Staff estimates the construction project contract can be reduced to \$2,261,823.49. In addition staff recommends that an approximate 5% Contingency also be budgeted for unforeseen conditions in the field. With the approval of the proposed Deduct Change Orders and the addition of the Contingency funds, the project is underfunded by \$774,876.

This project is highly anticipated in our community and will be a great addition to our mobility and the connectivity of many amenities in the City, to include the new park on the west side, TLU, Walnut Springs Park, the new Library, downtown, and eventually with an anticipated future phase, Starcke Park.

In order to fund these additional costs I am recommending the following funding sources:

\$560,000 – CPS Energy Settlement Fund – Even with the annual buy down of our tax rate that is being done each year through our budget, when additional ad valorem values are added to our tax rolls with the expiration of current tax abatements, sufficient funds remain from this fund.

\$121,000 – 2008 G.O. Bonds/Walnut Branch Detention Ponds/Corps of Engineer Projects – All expenditures toward these two projects have been completed.

\$39,303 – Park Development Fund – These funds are currently available in the fund and are unencumbered.

\$30,000 – Vaughan/San Antonio Street Park – These funds are from the Park Development Fund and originally designated as seed money toward a skate park, however \$500,000 is budgeted now for the skate park through the successful 2013 Park Bonds election.

\$24,573 – 2007 G.O. Bonds/Starcke Park Improvements – All projects originally planned for these funds have been completed.

These funds total the needed \$774,876. I recommend approval of the attached ordinances for the use of these funds.