



It's real.

Memorandum

To: Mayor and City Council Members
From: Melissa Reynolds, P.E., MPA, CFM, City Engineer
Through: Steve Parker, City Manager
Subject: Resolution authorizing the City Manager to execute the advance funding agreement with the Texas Department of Transportation for the Cordova Road Widening Project funded through the Alamo Area Metropolitan Planning Organization Surface Transportation Block Grant Program
Date: March 17, 2026

Historical Background

In August 2021, the City of Seguin was awarded funding through the Alamo Area Metropolitan Planning Organization (AAMPO) for the STBG-Road Widening Off System, Cordova Road Project. The project will widen Cordova Road from State Highway 46 to State Highway 123 to four (4) lanes and include a median and shared use paths on both sides. Guadalupe County is a partner in this project and will contribute to the local match required for this funding source.

In February 2021, Council approved a Resolution authorizing the City local match for construction and 50% of development costs, with the County equally sharing the local costs for engineering, right-of-way/easement acquisition, environmental, and construction costs above the Federal participation amount.

Based on the estimated construction costs at the time of the grant application, the cost-sharing between the parties is currently as follows:

Table with 3 columns: Participation Type, Percentage, and Amount. Rows include Federal Participation (80%, \$19,763,442.00), Local Participation (20%, \$5,245,191.00), State Participation (\$1,239,888.00), and Total (\$26,248,520.00).

In June 2024, the AFA was amended. The total estimated cost of the Project increased by \$7,641,628 to \$33,891,148 due to MPO granting additional funds to expand the existing two lane roadway to a four lane roadway with a raised median or center turn lane, realign Cordova at SH 46 and adding a shared use path to cover inflated costs, labor and material shortages, etc.

Table with 3 columns: Participation Type, Percentage, and Amount. Rows include Federal Participation (80%, \$26,857,455.00), Local Participation (20%, \$7,018,694.00), State Participation (\$13,999.00), and Total (\$33,890,148.00).

While the Resolution notes local participation to be fully City of Seguin, the City previously entered into an Interlocal Agreement with Guadalupe County to share all local participation costs for this project.



Action Requested

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Based on increased construction costs, an amendment to the AFA is being requested. The total estimated cost of the Project increased by \$14,067,896 to \$47,958,044 due to additional funding granted by the MPO to address cost escalation impacts, including increased labor and materials.

Federal Participation (through TxDOT)	80%	\$38,109,556.00
Local Participation (City and Guadalupe County)	20%	\$9,831,719.00
<u>State Participation</u>		<u>\$16,769.00</u>
Total		\$47,958,044.00

Procurement Methodology & Funding Source

Procurements will be made according to the City of Seguin Purchasing Policy and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which is codified in Part 200 of Title 2 of the Code of Federal Regulations. Funding for the increase in the City's responsibility for local match is provided by bonds. The advanced funding to Texas Department of Transportation has not been adjusted from the original Advanced Funding Agreement, regardless of project allocation increases.

Staff Recommendation

Staff recommends authorization for the City Manager to execute the Advanced Funding Agreement amendment.

ATTACHMENTS

1. 2026.03.17 Resolution Cordova AFA Amendment
2. AFA Amendment 1 (previously executed)
3. AFA Amendment 2