



City of San Antonio

Agenda Memorandum

File Number: 17-1545

Agenda Item Number: 7.

Agenda Date: 5/11/2017

In Control: City Council A Session

DEPARTMENT: Transportation & Capital Improvements

DEPARTMENT HEAD: Mike Frisbie, P.E

COUNCIL DISTRICTS IMPACTED: Council District 4

SUBJECT:

Quintana Road from Harmon Avenue to McKenna Avenue

SUMMARY:

Consideration of the following items related to the Quintana Road Project from Harmon Avenue to McKenna Avenue, a Local Agency Management Project, funded by the Federal Highway Administration, State of Texas Economically Disadvantaged County Program, and Port San Antonio, located in Council District 4:

- A) An ordinance authorizing an amendment to an Advanced Funding Agreement between the City of San Antonio and Texas Department of Transportation (TxDOT) to accept an additional \$58,800.00 from federal funds and an additional \$57,921.00 from state funds for a total not-to-exceed amount of \$7,903,948.00 for project costs related to the construction of the Quintana Road Project.
- B) An Ordinance authorizing an amendment to the Interlocal Agreement (ILA) between the City of San Antonio and the Port Authority of San Antonio providing reimbursement to the Port Authority of an additional \$298,900.00 for a total not-to-exceed \$1,018,900.00 for project-related expenses; reducing the Port's funding responsibility by \$64,448.00 due to increased federal and state participation through an amendment to the existing Advanced Funding Agreement between the City of San Antonio and the Texas Department of Transportation (TxDOT); and establishing the Port Authority's total funding responsibility in the amount not-to-exceed \$2,322,718.00; and the Port to fund an estimated \$131,100.00 of in-kind design costs directly to the Designer, bringing the Port's total project contribution to an estimated \$2,453,818.00.

BACKGROUND INFORMATION:

The Quintana Road Project is a Local Agency Managed (LAM) project funded by the Federal Highway Administration and the State of Texas' Economically Disadvantaged County Program, both administered through TxDOT, with the Project match provided by the Port Authority of San Antonio. This Project was selected for construction by the Alamo Area Metropolitan Planning Organization (MPO). The City of San Antonio does not have any funding in this Project but rather is serving as Project Manager and intermediary between the two entities in order to ensure the Project is delivered with TxDOT requirements. As LAM projects require, TxDOT has trained City of San Antonio employees in federal requirements to manage construction accordingly.

The Quintana Road Project will rehabilitate and realign the roadway as well as provide flood control improvements from Harmon Avenue to McKenna Avenue to facilitate truck traffic to the Port Authority of San Antonio rail yard area. Once completed, the project will provide a safer roadway for businesses and the public in the area.

Previous Council Action

In 2014, City Council previously approved the execution of an Advanced Funding Agreement (AFA) between the City and TxDOT through Ordinance 2014-06-26-0506, which authorized acceptance of \$7,155,600.00 in federal funding and payment to TxDOT of \$119,429.00 for project oversight. The AFA was administratively amended in 2015, allowing only the design, construction, material testing and construction administration Project match areas to be reduced through acceptance of additional funding from TxDOT for projects eligible for the State of Texas' Economically Disadvantaged County Program (EDCP), which added state funding and increased the overall total federal and state funding to \$7,787,227.00. Right-of-way expenses do not qualify for the EDCP and remain an 80/20 split between federal and Port SA respectively, up to a maximum of \$1,000,000.00. ROW above this amount will be paid 100% by Port SA.

In 2014, upon approval of the AFA between the City and TxDOT, City Council simultaneously approved the execution of an Interlocal Agreement (ILA) between the City and the Port Authority of San Antonio under the same ordinance 2014-06-26-0506. The 2014 ordinance authorized reimbursement to the Port Authority of up to \$720,000.00 in expenses for design, environmental and construction administration by its consultant and acceptance up to \$2,387,166.00 from the Port Authority for the Project match portion of project related expenses. The Port will fund an estimated \$131,100.00 of in-kind design costs directly to the Designer, bringing the Port's total project contribution to an estimated \$2,453,818.00.

ISSUE:

Consideration of the following items related to the Quintana Road Project from Harmon Avenue to McKenna Avenue, a Local Agency Management (LAM) Project, funded by the Federal Highway Administration, State of Texas Economically Disadvantaged County Program, and Port San Antonio, located in Council District 4:

- A) This ordinance authorizes an amendment to an Advanced Funding Agreement between the City of San Antonio and Texas Department of Transportation (TxDOT) to accept an additional \$58,800.00 from federal funds and an additional \$57,921.00 from state funds for a total not-to-exceed amount of \$7,903,948.00 for project costs related to the construction of the Quintana Road Project.

An Advanced Funding Agreement (AFA) between the City of San Antonio and TxDOT was approved by City Council in June 2014. At the time of the agreement, the City accepted \$7,155,600.00 in federal funding towards

the Quintana Road Project. One year later, TxDOT notified the City that additional funds for the Project were available through the State of Texas' Economically Disadvantaged County Program. Through this program, the Quintana Road Project received an additional \$631,627.00. Because right-of-way expenses do not qualify for the EDCP and remain an 80/20 split between federal and Port SA respectively, Port SA submitted a request to TxDOT to redistribute funds from right-of-way to construction. The redistribution provided an additional \$116,721.00 from state funds towards construction. TxDOT will provide funding for right-of-way up to a maximum of \$1,000,000.00, and any right-of-way costs above this amount will be paid 100% by Port SA. The proposed amendment brings the total federal and state funding for the Quintana Road Project to \$7,903,948.00 and is shown in the table below.

	Federal Funds	State Funds	Total Federal & State Funding (not-to-exceed)
Original AFA Ordinance 2014	\$7,155,600.00	\$ -	\$7,155,600.00
EDCP Amendment #1 in 2015		\$631,627.00	\$631,627.00
Proposed Amendment #2	\$58,800.00	\$57,921.00	\$116,721.00
Total	\$7,214,400.00	\$689,548.00	\$7,903,948.00

- B) This ordinance authorizes an amendment to the Interlocal Agreement (ILA) between the City of San Antonio and the Port Authority of San Antonio, providing reimbursement to the Port Authority of an additional \$298,900.00 for a total not-to-exceed \$1,018,900.00 for project-related expenses and reduces the Port's match responsibility by \$64,448.00, due to increased federal and state participation through an amendment to the existing Advanced Funding Agreement between the City of San Antonio and the Texas Department of Transportation (TxDOT) and establishes the Port Authority's total funding responsibility in the amount not-to-exceed \$2,322,718.00. The Port will fund an estimated \$131,100.00 of in-kind design costs directly to the Designer, bringing the Port's total project contribution to an estimated \$2,453,818.00.

There are no City funds provided in this project. TxDOT funding is paying for the City to manage the project and Port SA is providing the required project match funds. The City is serving as an intermediary between the two entities to ensure the Quintana Road Project completed. Through this arrangement, TxDOT provided funding to the City for the construction of the Quintana Road Project in the amount of \$7,155,600.00 and Port SA was responsible for \$2,387,166.00 which provides the required match and covers overruns and/or expenses that don't have federal and/or state participation such as the design, environmental and construction administration by its consultant.. The City as an intermediary does not have a say in the Port's allowable reimbursement expenses from the funding provided by TxDOT nor the Port's level of participation.

The proposed amendment to the AFA provides an additional \$298,900.00 to the Port for allowable reimbursement expenses and decreased the Port's required participation by \$64,448.00 and is shown in the table below. The ILA between the City and the Port SA reflect the funding changes to date.

	Port Authority Reimbursement	Port Authority Participation
Original ILA Ordinance 2014	\$720,000.00	\$2,387,166.00

Proposed Amendment #1	\$298,900.00	\$ (64,448.00)
In-Kind Contribution		\$131,000.00
Total	\$1,018,900.00	\$2,453,818.00

ALTERNATIVES:

City Council could choose not to approve either amendment; however, by not approving these items, the City will lose the opportunity of receiving additional funding from TxDOT for the rehabilitation and realignment and flood control improvements of the Quintana Road from Harmon Avenue to McKenna Avenue Project.

FISCAL IMPACT:

- A. This ordinance accepts an additional \$58,800.00 in federal funds allocated to the City from the Federal Highway Administration for a total of \$7,214,400.00 which is administered through TxDOT as a federal pass through, and an additional \$57,921.00 from state funds for a total of \$689,548.00 which is administered through TxDOT and reported on the Schedule of Expenditures of State Awards, for a total not-to-exceed amount of \$7,903,948.00. The City will not be providing funds for this project and will be reimbursed for its program management.

	Federal Funds	State Funds	Total Federal & State Funding (not-to-exceed)
Original Ordinance 2014	\$7,155,600.00	\$ -	\$7,155,600.00
Amendment in 2015		\$631,627.00	\$631,627.00
Proposed Amendment	\$58,800.00	\$57,921.00	\$116,721.00
Total	\$7,214,400.00	\$689,548.00	\$7,903,948.00

- B. This ordinance increases the total allowed reimbursement to the Port Authority of San Antonio by \$298,900.00 for a total not-to-exceed \$1,018,900.00 and reduces Port SA's funding responsibility by \$64,448.00 for a not-to-exceed amount of \$2,322,718.00. The Port will fund an estimated \$131,100.00 of in-kind design costs directly to the Designer, bringing the Port's total project contribution to an estimated \$2,453,818.00.

	Port Authority Reimbursement	Port Authority Participation
Original Ordinance	\$720,000.00	\$2,387,166.00
Proposed Amendment	\$298,900.00	\$ (64,448.00)
In-Kind Contribution		\$131,000.00
Total	\$1,018,900.00	\$2,453,818.00

RECOMMENDATION:

Staff recommends approval of both amendments related to the Quintana Road Project, a Local Agency Management (LAM) Project, funded by the Federal Highway Administration, state EDCP funds and the Port Authority of San Antonio.