



# City of Austin

## Recommendation for Action

File #: 24-6056, Agenda Item #: 50.

12/12/2024

### Posting Language

Approve a resolution authorizing negotiation and execution of an advance funding agreement with the Texas Department of Transportation for the City's commitment to fund up to \$265,000,000 for roadway elements for caps and stitches to be integrated into the IH-35 Capital Express Central Project. Funding: Funding up to \$40,000,000 is available from the Neighborhood Access and Equity grant awarded to the City; \$22,000,000 is available from the State Infrastructure Bank financial assistance loan to the City; and up to \$204,000,000 is available for the remaining funding gap, from tax exempt Certificates of Obligation to be issued on or after August 2025. Related to Items #11, #49, #51, and #52.

### Lead Department

Transportation and Public Works Department

### Fiscal Note

Funding up to \$40,000,000 is available from the Neighborhood Access and Equity grant awarded to the City; \$22,000,000 is available from the State Infrastructure Bank financial assistance loan to the City; and up to \$204,000,000 is available for the remaining funding gap, from tax exempt Certificates of Obligation to be issued on or after August 2025. The City will bear the responsibility for paying cost overruns.

### Prior Council Action:

March 21, 2024 - Resolution No. 20240321-067 authorizing the City Manager to apply for financial assistance from the State Infrastructure Bank for the I-35 Cap and Stitch Program in an amount not to exceed \$191,000,000 was approved on consent on a 11-0 vote.

December 14, 2023 - Resolution No. 20231214-060 authorizing negotiation and execution of an advance funding agreement with the Texas Department of Transportation for engineering and design study for cap and stitch improvements on the IH-35 Capital Express project for a total estimated cost of \$1,818,334 with the City's share of the costs estimated to be \$166,667 plus any cost overrun was approved on consent on a 10-0 vote with Council Member Ryan Alter absent.

December 14, 2023 - Resolution No. 20231214-061 authorizing negotiation and execution of an advance funding agreement with the Texas Department of Transportation for the City to contribute \$15,445,000, for 30% of the design and other associated costs of cap and stitch structures to be integrated into the IH-35 Capital Express Central Project was approved on consent on a 10-0 vote with Council Member Ryan Alter absent.

### For More Information:

Richard Mendoza, Director, 512-974-2488; Upal Barua, Assistant Director, 512-974-7110; Michelle Marx, Transportation Officer, 512-974-2856; Gilda Powers, Quality Consultant, 512-974-7092.

### Additional Backup Information:

On December 14, 2023, Council authorized the City Manager to negotiate and execute an advance funding agreement with the Texas Department of Transportation (TxDOT) for the City to contribute \$15,445,000, for the 30% design and associated environmental review of caps and stitches roadway elements to be integrated

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into the IH-35 Capital Express Central Project (Resolution 20231214-061). On December 12, 2024, Council will consider funding up to \$19,000,000 for caps and stitches to reach 100% design of caps and stitches roadway elements to be integrated into the IH-35 Capital Express Central Project.

TxDOT has worked with City staff to develop a phasing plan for the project components for caps. That phasing plan gives the City decision points for commitment and funding for each project component.

The caps are broken into three project components as shown below in Exhibit 1.

The City's decision point is December 2024 to commit to funding roadway elements for individual caps, with the funding due at start of construction in 2026. Roadway elements include upgraded foundations, walls, lowered roadway, hazmat catchment, and concrete columns to support deck caps. Funding these components will "future proof" the cap, preserving the opportunity to build caps in the future. The City will bear the responsibility for paying cost overruns. If these roadway elements components are not funded, caps cannot be installed.

Council funded roadway elements will require additional staff pursuit of funding for construction of corresponding decks and amenities. Staff is currently developing a funding strategy that may provide options to fund deck construction, including amenity design and construction, for deck caps that remain unfunded after November and December 2024.