



MEMO

Date: June 23, 2014
To: Commissioners Court
From: Tracy R. Homfeld, PE, CFM; Collin County Engineering
Subject: Interlocal Agreement (ILA) between Collin County and the City of Frisco for the Improvements to Custer Rd. from SH 121 to Stonebridge Dr.; 2007 Bond Project #07-043

CUSTER RD. – SH 121 to STONEBRIDGE DR. PROJECT AND FUNDING BACKGROUND:

Project:

This project includes Engineering and Construction of Custer Rd from a 4 to a 6-lane divided urban roadway. The allocation was originally approved for the City of McKinney to manage the project. The project borders the city limits of McKinney and Frisco. The cities have decided that it is in the best interest of the project for the city of Frisco to manage the construction. The City of Frisco has completed the Engineering and is ready to begin construction.

Funding:

The City has funded and completed Engineering in the amount of \$1,116,000 and the construction is estimated to be \$7,050,000 for a total project cost of \$8,150,000.

The City of Frisco has secured TxDOT Pass-Through Financing for a portion of the construction costs, \$5,850,000 to be repaid over a 10-20 year term. The 2007 Bond Program allocated \$2,500,000 to the improvements of Custer Rd from SH 121 to Stonebridge Drive. The total Project funding is \$8,350,000.

Collin County reimbursement as per ILA:

As noted above, the actual project Construction Costs may exceed the Estimated Project Construction Costs. If this is the case, the City will reimburse to County an amount up to the proportionate share of the County Funding of the Actual Project Construction Costs. The reimbursement will not include interest and will be tendered by the city to county, incrementally, if applicable, as City receives the pass through reimbursement, with the initial payment being made after City receives the first pass through Reimbursement, and subsequently thereafter as City receives any additional pass through Reimbursement until County receives an amount not exceeding the County Reimbursement. Below is the anticipated reimbursement to the county.

Pass Through Reimbursement x (County Funding/Estimated Project Construction Costs)
\$5,850,000.00 x (\$2,500,000.00/\$8,150,000.00)

County's Proportionate Reimbursement \$1,794,478.00

OPTION: The city of McKinney has requested that the reimbursement be made available to the city of McKinney for future city managed projects. If not, the funds will be placed in the county's discretionary account to be used at the courts discretion.

ACTION:

We request Commissioners' Court consider approval of the above mentioned Interlocal Agreement and authorize Judge Keith Self to sign the ILA and consider the Options noted above for uses of the reimbursable funding.