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## MEMO

**Date:** January 22, 2024  
**To:** County Judge and Commissioners  
**From:** Clarence Daugherty, P,E., Director of Engineering  
**Subject:** U. S. 380 Freeway, Payment of Water and Sewer Relocation Costs of Cities

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Counties and cities are the beneficiaries of a recent decision by TxDOT to no longer require participation in TxDOT projects in the amount of 10% of the projected cost of ROW and utility relocations. This, of course, will save Collin County the small amounts that the County has been paying for TxDOT's local bridge projects or other small projects. But it is very significant when applied to their large projects, especially the US 380 Freeway.

This is the answer to a dilemma that the County and cities were facing: that of how to pay both the 10% participation and the actual relocation of the cities' water and sewer facilities. This decision gives the County the opportunity to cover the upfront cost of relocating those city utilities that are in the path of the new freeway.

The need for this assistance stems from the magnitude of the project and the size of the water and sewer facilities that have to be moved. The cost is beyond the ability of even the larger city, McKinney, to pay and still have capital funds for all their other projects that are required to manage the growth.

Only those projected costs from the City of McKinney are available currently. However, the Engineering Department has made some assumptions and some calculations to attempt to get a feel for the possible total amount that would be required for all the cities. The amount the County has available for US 380 and Sp 399 should be adequate to cover all the cities' costs. However, it was anticipated in the development of the 2023 Bond Program that some funding might be needed for this purpose from that bond program.

**Recommended Action:** It is recommended that the Commissioners Court approve the concept of paying the cost of relocating the utilities of the affected cities for the US 380 and Sp 399 Freeway projects and authorize the Engineering staff and any legal counsel required to work with the City of McKinney to prepare an agreement for the payment of the required funds. The agreement will be taken to the McKinney City Council for approval and will be brought back to the Commissioners Court for approval of the agreement and authorization for payment.