

## AGENDA



Thursday, June 11, 2009

**Transportation  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 33**

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**Subject:** Authorize the negotiation and execution of a Roadway Improvement Agreement with RREEF Domain, LP, to fund construction of Texas Department of Transportation (TxDOT) directional signage improvements along a portion of Loop 1.

**Amount and Source of Funding:** Funding in the amount of \$9,273 will be submitted to the City by RREEF Domain, LP for deposit into escrow. This includes \$8,073 that the City must pay to TxDOT to begin the work plus a 15% contingency and 5% for City of Austin administrative and indirect costs. Related to Item #34.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Ronnie Bell, 974-7015; Leanne Vaughn, 974-5657

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RREEF Domain, LP desires that roadway improvements, consisting of directional signage modifications, be made along portions of Loop 1. Because the proposed improvements are in State (Texas Department of Transportation or TxDOT) right-of-way, it is necessary that the State implement the construction project.

TxDOT requires that construction of improvements in State right-of-way requested by a private entity be sponsored by and paid for by a local government. Therefore, it is necessary for the City to enter into an agreement with the developer to receive their funds for the project, and to enter into a separate agreement with TxDOT to provide funds received from the developer for the project. This agreement provides for the funding by the private entity to fund the designated improvements within the State right-of-way.

The estimated construction cost, construction engineering and inspection costs and direct costs from TxDOT total \$8,073. The developer will submit a check to the City in the amount of \$9,273. This includes \$8,073 that the City must pay to TxDOT to begin the work plus a 15% contingency and 5% for City of Austin administrative and indirect costs.

In the event that TxDOT incurs additional costs in construction, the City will pay TxDOT from the contingency. While a 50% contingency is typically used for projects, a 15% percent contingency has been used for this agreement since the work is anticipated to be authorized as a change order to an existing TxDOT project.

The developer will be required to provide any additional funds as necessary to fund TxDOT's actual construction costs, to maintain this contingency, and to protect the City from incurring any costs. Any portion of the contingency remaining after the final completion and acceptance of the project by TxDOT will be returned to the developer.