

AGENDA



Thursday, November 19, 2009

Transportation
RECOMMENDATION FOR COUNCIL ACTION

Item No. 55

Subject: Approve an ordinance amending the Fiscal Year 2009-2010 Transportation Department Capital Budget of Ordinance No. 200909014-03 to appropriate \$13,000,000 for the construction of direct connectors for Northbound Loop 1 to Eastbound US 290 and Westbound US 290 to Southbound Loop 1.

Amount and Source of Funding: Funding in the amount of \$13,000,000 is available from a reimbursement resolution. Related to Items # 56 & 57.

Fiscal Note: A fiscal note is attached.

For More Information: Robert Spillar, Transportation Department Director, / 974-2488; Greg Canally, Deputy Chief Officer / 974-2609.

This action appropriates \$13,000,000 for the construction of direct connectors for Northbound Loop 1 to Eastbound US 290 and Westbound US 290 to Southbound Loop 1. There are related agenda items for consideration by Council for this project.

In 2003, Texas House Bill 3588 created the Pass Through Finance Program. The purpose of the program is to accelerate development of state highway projects by stretching limited transportation funding. The program allows public and private entities to develop and fund projects ahead of TxDOT's timetable.

On September 24, 2009, the Texas Transportation Commission approved the City of Austin's application to construct two direct connectors at US 290 and Loop 1 (Minute Order #111977). TxDOT agrees to fund 80 percent of the construction cost and the City of Austin agrees to fund 20 percent. The City of Austin will finance the entire project through the issuance of certificates of obligation and TxDOT will pay back to the City of Austin 80 percent of the construction costs over a 10 to 15 year period. In addition to the City's 20 percent portion of construction costs, the City will be responsible for funding the interest costs on the certificates of obligation.

The City will also be responsible for any project cost overruns beyond the estimated construction cost, utility relocation and interest payments for bonds sold to finance the project.