

AGENDA



Thursday, April 22, 2010

Public Works**Item No. 21****RECOMMENDATION FOR COUNCIL ACTION**

Subject: Authorize negotiation and execution of an amendment to Interlocal agreements with Capital Metropolitan Transportation Authority ("Capital Metro") relating to regional mobility and transportation projects to authorize modification of the project list through an administrative process and establish annual funding amounts.

Amount and Source of Funding: Funding is available in the Fiscal Year 2009-2010 Capital Budget of the Public Works and Transportation Departments.

Fiscal Note: A fiscal note is not required.

For More Information: Robert Goode, Assistant City Manager, 322-6157; Leslie Browder, Chief Financial Officer, 974-2283; Howard Lazarus, Director, Public Works Department, 974-2411;

Prior Council Action: July 8, 1993 – Council authorized the negotiation and execution of an Interlocal agreement with Capital Metro for purposes of establishing long term funding for mobility improvements and street repairs per the "Build Austin Program."

May 19, 2005 – Council authorized negotiation and execution of an Interlocal agreement with Capital Metro for City managed transit related projects and operating costs funded through the Capital Metro's "Build Central Texas Program".

In April 1994 and August 2005, the City and Capital Metro executed interlocal agreements relating to regional mobility and transportation projects, known respectively as the Build Greater Austin (BGA) and Build Central Texas (BCT) agreements. Under these agreements, Capital Metro agreed to reimburse the City certain amounts for the City constructing transportation projects.

The City wishes to make modifications to the list of projects that are being reimbursed under the 1994 agreement and Capital Metro is agreeable to these modifications as long as the projects meet certain criteria related to regional mobility. To streamline the process of modifying the project list from time to time, the two entities want to establish an administrative process whereby the City would communicate a modification to the project list to Capital Metro and then Capital Metro staff would certify that modification meet the criteria under the programs.

Under these two combined programs, Capital Metro has a remaining obligation of \$7.7 million. Capital Metro is paying its obligations in a timely manner as the City bills for work completed. As part of the restructuring of the Quarter Cent Program that will allow Capital Metro to begin making progress payments on its obligations to the City, City staff has developed an interim funding plan that identifies alternative funding sources to the Quarter Cent Program. This interim funding plan will allow the City to keep several projects on track now, and then substitute other eligible transportation projects under the Quarter Cent Program at a later date when Capital Metro has made progress toward improving their financial position. To accommodate the City, Capital Metro management has agreed to increase the amount of annual funding above amounts that the City has recently billed for these programs, as outlined below:

FY 2010: \$1,000,000
FY 2011: \$1,500,000
FY 2012: \$1,800,000
FY 2013: \$1,800,000
FY 2014: \$1,200,000

Any remaining amounts would be paid in fiscal years subsequent to FY 2014.

The Capital Metro Board of Directors authorized its staff to finalize this revision at its meeting on April 15, 2010, subject to a friendly amendment that will allow board members to take a closer look at the resolution before it goes to Council. Capital Metro expects to accomplish this at a meeting to be scheduled prior to Council consideration.