



AGENDA MEMORANDUM

Action Item for City Council Meeting August 19, 2025

DATE: August 12, 2025

TO: Peter Zanoni, City Manager

FROM: Jeffrey H. Edmonds, P.E., Director of Engineering Services
jeffreye@cctexas.com
(361) 826-3851

Ernesto De La Garza, P.E., Interim Assistant City Manager
& Director of Public Works
ernestod2@cctexas.com
(361) 826-1677

Sergio Villasana, CPA, CGFO, CIA, Director of Finance & Procurement
sergiov2@cctexas.com
(361) 826-3227

Advance Funding Agreement

Encantada Avenue Pedestrian Safety Improvements

CAPTION:

Resolution authorizing an Advance Funding Agreement with the Texas Department of Transportation (TXDOT) for the Encantada Avenue Pedestrian Safety Improvement Project for infrastructure improvements including a five foot sidewalk on Encantada Avenue, from Gypsy Street to Park Road 22, with the City's payment of \$17,885.00 to TXDOT for direct state costs, located in Council District 4, with FY 2025 funding from ARPA interest.

SUMMARY:

This resolution authorizes the City Manager or designee to execute an AFA with TXDOT for pedestrian and bicycle safety infrastructure at Encantada Avenue with improvements including 5-foot sidewalks along Encantada Avenue, curb ramps, signage and pavement markings. The total estimated cost of the project is \$1,025,962.00 with the City's participation at 20% estimated to be \$196,733.00, with funding from ARPA interest. The City responsible for 100% of overruns

BACKGROUND AND FINDINGS:

In 2015, the Fixing America's Surface Transportation (FAST) Act was signed into law establishing the Surface Transportation Grant set-aside (STBG-SA) funding program (Category 9). The STBG-SA Category 9 program is a federal cost reimbursement program, not a grant. No funding is provided upfront. Category 9 funds are used to reimburse 80% of the costs paid by the applicant, up to the awarded amount. Any cost overruns are the responsibility of the applicant. For projects selected, the applicant is responsible for completing all pre-construction activities (design, environmental clearance, right-of-way and utility relocation/coordination) with local funds

and project letting. Prior to project letting a fully executed Advanced Funding Agreement (AFA) with TXDOT and payment of any direct state costs is required. Additionally, a Federal Project Authorization and Agreement (FPAA) is required prior to TxDOT issuing each State Letter of Authority (SLOA). Completion of the FPAA form allows the authorization of federal funds for reimbursement of the approved costs.

In 2021, the Corpus Christi Metropolitan Organization (CCMPO) conducted a call to evaluate and select eligible projects using a performance-based competitive selection process. The CCMPO was allocated \$4.5 million in federal funding, for STBG-SA eligible projects, for federal fiscal years 2022 through 2025. Eligible applicants could apply for smaller-scale transportation projects such pedestrian and bicycle facilities, recreational trails, safe routes to school projects, community improvements, and environmental mitigation related to stormwater and habitat maintenance. The City of Corpus Christi (Public Works Department) received approval from City Council in March 2022 to submit five (5) grant applications, one per Council district, to the CCMPO as follows:

1. District 1: Oak Park ES Route to School- Leopard Street and Oak Park Avenue Pedestrian Improvements
2. District 2: Ocean Drive Pedestrian Crossing Improvements- (Oleander Point at Cole Park)
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3. District 3: Mary Carroll HS Safe Route to School – Mary Carroll Ditch Hike and Bike Trail Improvements
4. District 4: Seashore Learning Center Safe Route to School – Encantada Avenue Pedestrian Safety Improvements
5. District 5: Brooke Road/Master Channel Pedestrian Improvements

The CCMPO selected all five (5) applications. 100% designs have been completed by Freese and Nichols, Inc (FNI) for four projects. Resolutions authorizing the execution of AFAs are only being requested for the completed projects. An AFA for Brooke Road is not requested as pedestrian improvements and utility relocation will be addressed as part of the approved Bond 2024 Street Project. After execution of the AFA, City staff will return to City Council to receive approval to award the four projects to the lowest responsive bid, submitted by a qualified bidder, per the City's bidding process.

The Encantada Avenue Pedestrian Safety Improvements (City Project 23145) involves constructing pedestrian and bicycle improvements including a 5-foot sidewalk along Encantada Avenue from Gypsy Street to Park Road 22, along with curb ramps, signage, and pavement markings. The Opinion of Probable Construction Cost (OPCC), provided by FNI, for this project is \$840,087.00. A summary of the estimated project costs, as shown in the "Draft" AFA, are provided below:

| Project | AFA Contract # | Local Government Participation (20%) | State Participation | Federal Participation (80%) | Total Project Cost Estimate |
|---------|----------------|--------------------------------------|---------------------|-----------------------------|-----------------------------|
| 23145 | 0916-35-256 | \$196,733.00 | \$42,298.00 | \$786,931.00 | \$1,025,962.00 |

ALTERNATIVES:

Not authorizing the execution of the Advanced Funding Agreement would make the City ineligible for Category 9 funding, used to reimburse project sponsors for 80% of the awarded amount, which was allocated for fiscal years 2022 through 2025. Project could still be constructed with local funding.

FISCAL IMPACT:

The fiscal impact for FY 2025 is \$17,885.00 for direct state costs to execute the Advance Funding Agreement, with funding available from ARPA interest.

Funding Detail:

Fund: 1076 ARPA Grant Fund
Org/Activity: 89 Grants & CIP
Dept 33 Streets Dept
Account: 352076
Amount: \$17,885.00

RECOMMENDATION:

Staff recommend the execution of the AFA with TxDOT for the STBG-SA project.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Advanced Funding Agreement - 0916-35-256
Presentation
Certificate of Funds
Presentation