

**AGENDA**



**Recommendation for Council Action**

Austin City Council	Item ID	11752	Agenda Number	40.
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Meeting Date:	1/26/2012	Department:	Transportation
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**Subject**

Approve negotiation and execution of a Roadway Improvement Agreement with SPG Arbor Walk, LP, a Texas limited partnership, to receive funds from this company and apply them towards construction of a Texas Department of Transportation roadway safety improvements project along a portion of the MoPac (Loop 1) frontage road at Arbor Walk Development in the amount of \$315,271 to be secured with a cash deposit and other fiscal security.

**Amount and Source of Funding**

Funding in the amount of \$315,271 to be secured with a cash deposit and other fiscal security, will be provided by SPG Arbor Walk, LP to be deposited into an escrow account for this project.

**Fiscal Note**

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
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Prior Council Action:	
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For More Information:	Robert Spillar, 974-2488; Gary Schatz, 974-7189; Gilda Powers, 974-7092.
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Boards and Commission Action:	
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MBE / WBE:	
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Related Items:	
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**Additional Backup Information**

The City will negotiate an agreement with SPG Arbor Walk LP to receive funding for a Texas Department of Transportation (TxDOT) roadway safety improvements project to widen the northbound frontage road of Loop 1 at Arbor Walk Development to construct a deceleration/acceleration lane to be designed and funded by the developer and constructed by the State.

Because the proposed improvements are in State right-of-way, it is necessary that the State implement the construction project. The State is prohibited from directly entering into contracts with private entities for construction in State right-of-way. In order to construct the improvements, it is thus necessary for the City of Austin to enter into an agreement with the developer to receive their funds for the project, and to enter into an agreement with the State to provide funds received from the developer for the project.

The State will bid this project. Because construction costs have on past projects sometimes exceeded the engineer's estimate, a 50% construction cost contingency and a clause requiring additional funds from the developer as necessary to maintain this contingency are included in the agreement with the developer to protect the City from incurring any costs. Any funds not expended for the project, including interest on funds in escrow, will be returned to SPG Arbor Walk, LP after completion of the project, less City administrative and indirect costs which are included in the agreement with the developer, but are not part of the agreement with the State.