

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL
Regular Meeting: June 28, 2018

Item Number: **031**

Management Services

Approve a resolution authorizing negotiation and execution of an amendment to the interlocal agreement for Regional Mobility and Transportation Projects with Capital Metropolitan Transportation Authority (Capital Metro) that authorizes the program to fund certain mobility and transportation projects using the City's pro rata share of 25% of Capital Metro's one cent sales tax imposed by Capital Metro on sales within Capital Metro's service area in a certain fiscal year (the 'Quarter Cent program').

Lead Department	Public Works Department
Fiscal Note	This item has no fiscal impact.
Prior Council Action	<p>June 22, 2001: Capital Metro Transit Authority (Capital Metro) and the City of Austin (the City) entered into an Interlocal Agreement whereby Capital Metro would pay to the City its pro rata share of 25% (Quarter Cent) of its one cent sales tax from the years 2001-2004 to carry out various approved transportation projects.</p> <p>April 22, 2010: An Amendment to Interlocal Agreements for Regional Mobility was executed, outlining both payments from Capital Metro to the City and Interagency Project Management Protocol.</p> <p>December 11, 2014: Council passed Resolution No. 20141211-127 <http://www.ci.austin.tx.us/edims/document.cfm?id=224366>, dedicating \$2 million for infrastructure improvements on Airport Blvd.</p> <p>June 18, 2015: Council passed Resolution No. 20150618-093 <http://www.ci.austin.tx.us/edims/document.cfm?id=234103>) directing the City Manager to identify projects for which the remaining funding can be used that address the following purposes (in addition to the criteria outlined in the Interlocal Agreement and Amendment):</p> <ul style="list-style-type: none"> · Transportation safety · Improved access to schools

	<ul style="list-style-type: none"> · New traffic signals · Existing infrastructure needs · Traffic calming · Improved access to transit · Other transportation/mobility needs as outlined in the Quarter Cent Fund Interlocal Agreement <p>December 17, 2015: Council passed Resolution No. (20151217-076) <http://www.austintexas.gov/edims/document.cfm?id=245533>, directing staff to bring back all recommended projects to the full Council for consideration prior to implementation and prescribing a not-to-exceed amount of the funds to be spent in each Council District; and,</p> <p>January 28, 2016: Council passed Resolution No. (20160128-050 <http://www.austintexas.gov/edims/document.cfm?id=248354>), which adopted the recommended list of projects in each district. This approval triggered Capital Metro’s 45 day approval process, as outlined in the Interlocal Agreement.</p> <p>April 6, 2018: Capital Metro approved all projects as per the 45 day approval process, and projects were assigned to City staff for project delivery.</p>
For More Information	Richard Mendoza, 512-974-7190; Rob Spillar 512-974-2488; Jim Dale 512-974-4070; Annie Van Zant, 512-974-2825

Additional Backup Information:

City staff from both the Public Works Department (PWD) and Austin Transportation Department (ATD) have been coordinating with the Mayor and Council Offices regarding feasibility studies and delivery of Quarter Cent projects approved on January 28, 2016. With many projects now in progress or complete, we are projecting that each Council District will have remaining Quarter Cent funds to expend on qualified projects. Several projects on the District lists originally adopted in January 2016 are not feasible or recommended based on industry standards and we have been working with Council Offices to identify alternative projects as needed. Currently, in order to make changes to the project list funded by the Quarter Cent fund, City Council as a body must approve each change.

Separately, Capital Metro is developing a high-capacity transit system plan (Project Connect) to address the region’s need for improved mobility choices, improve regional connectivity and

reduce transportation costs for households to improve affordability. This effort builds upon and continues the partnership between Capital Metro and the City of Austin to further our shared Mobility mission. The next step for Project Connect is to begin preliminary engineering on the identified corridors to determine the existing constraints/feasibility for potential high capacity transit operations. The Capital Metro Board has asked the City of Austin to consider including \$15 million in the upcoming 2018 Bond Referendum to help fund this preliminary engineering work and environmental analysis. Capital Metro estimates that this work will cost \$17- \$22 million over two years depending on the results of upcoming community engagement and Capital Metro Board prioritization. Capital Metro's budget can only support an estimated \$5 million of the work in the 2019-2020 time period thus the request for City financial support.

Staff has analyzed this request and we support Project Connect's mission. We recommend continuing our financial partnership with Capital Metro but not via the potential 2018 Bond Program.

This item solves for both the cumbersome and time-consuming changes to the Quarter Cent Fund Project list, as well as provides funds to Capital Metro to further the Project Connect effort for the benefit of Austin residents.

This item will authorize negotiation and execution of an amendment to the interlocal agreement between the City of Austin and Capital Metro related to the use of Quarter Cent funds. The amendment will require Capital Metro to use the remaining balance of Quarter Cent Funds, approximately \$6 million, on preliminary engineering and environmental assessment work for Project Connect, along with their own \$5 million contribution to that effort. Projects using Quarter Cent funding that are currently underway will continue to completion and will be reimbursed by Capital Metro as per the Interlocal Agreement but the City will not invoice Capital Metro for the remaining \$6 million in the fund.

To fund the remaining balance of projects for each Council District the City Manager through this action will be directed to identify funding sources other than the remaining Quarter Cent Funds; this may include operational budget, funds remaining from previous voter-approved bonds, an increase in the Transportation User Fee, and/or other funding options.

The Quarter-Cent Fund balance by Council District was communicated by memo on June 11, 2018, and is as follows.

- Council District 1 - \$1.18 million
- Council District 2 - \$250,000
- Council District 3 - \$640,000
- Council District 4 - \$133,000
- Council District 5 - \$420,000
- Council District 6 - \$1.6 million
- Council District 7 - \$450,000
- Council District 8 - \$440,000
- Council District 9 - \$160,000

- Council District 10 - \$540,000
- Austin Mayor - \$250,000

Finally, to move forward with changes to the project list adopted by the City Council via Resolution 20160128-050, this action will direct the City Manager to work with the Mayor and individual Council members to advance projects within each Council District until each District's Quarter Cent Fund balance is exhausted. The City Council will not need to approve each project change. Projects must meet industry standards and best practices, meet criteria outlined in both the Interlocal Agreement and previous Council Resolutions and be feasible projects that can be executed using a Council Offices' remaining Quarter-Cent Fund balance (or identified match funding).

The goal is to appropriate all Quarter Cent funds to eligible and Council Member-approved projects no later than April 2020 and allow Capital Metro to move forward with the next phase of Project Connect in late fall of this year, as outlined in the Project Connect timelines.