

MEMORANDUM

To: Honorable Mayor & City Council

From: Stephanie Biggs, Administrative Assistant and Toni Kunz, City Administrator

Date: August 12, 2026

Agenda Item Budget Workshop: Texas Department of Agriculture (TDA) grant opportunity
Action Requested: Discussion and consideration of grant opportunity

Overview and Background: TDA's biennial CDBG Community Development Fund Grant for '27-'28 should open soon. This grant awards \$750,000 and requires a \$15,000 match (2% based on our population). There is currently \$143K available from the Street Right of Way fees collected over the last few years.

TDA recently shared that the Unified Scoring Committee will determine at its meeting in September whether to change to an annual cycle or continue with a biennial cycle for the program. TDA is recommending communities procure a grant administrator separately for 2027 and for 2028 which means 2 separate RFPs that can be done in the same solicitation. TDA has not yet published the fund application guide but has said to start early on Phase 1 "preprocurement" and get resolutions approved for the anticipated due date of December 2026.

Ardurra Group, Inc. was retained by the City of Bandera in 2020 to assess and provide recommendations for the streets within the corporate limits of the city. The report included street condition assessments for approximately 14 miles of streets. The 2020 assessment was updated with 2025 unit costs which include the following:

ACTIVITY	2025 UNIT COST
Base Repair (6" Type C)	\$65.00/SY
Edge Repair (6" Type C)	\$65.00/SY
Fog Seal	\$4.50/SY
One Course Surface Treatment (OCST)	\$6.50/SY
Asphaltic Cement Pavement (ACP) consisting of 1.5" Type D	\$25.50/SY
Pavement Rehabilitation (Rehab) consisting of 6" Treat Existing Base, OCST and 1.5" Type D	\$47.00/SY
Level Up	\$220.00/Ton
Manhole / Water Valve Adjustment	\$1,500.00/EA

Below is a 7-year budget summary of the costs associated with the Street Maintenance Plan:

YEAR	PAVEMENT TREATMENT	COSTS
Year 1	OCST	\$381,225
	ACP	\$0
	Rehab	\$0
	Year 1 Total	\$381,225
Year 2	OCST	\$25,824
	ACP	\$47,029
	Rehab	\$371,963
	Year 2 Total	\$444,816
Year 3	OCST	\$115,758
	ACP	\$41,515
	Rehab	\$352,571
	Year 3 Total	\$509,845
Year 4	OCST	\$526,192
	ACP	\$61,652
	Rehab	\$0
	Year 4 Total	\$587,844
Year 5	OCST	\$584,721
	ACP	\$27,175
	Rehab	\$0
	Year 5 Total	\$611,896
Year 6	OCST	\$566,094
	ACP	\$13,107
	Rehab	\$0
	Year 6 Total	\$579,200
Year 7	Fog Seal	\$287,055
	Year 7 Total	\$287,055
OVERALL TOTAL COST		\$3,401,881

As part of this updated 2025 street assessment report, the City requested Ardurra to provide the ultimate Full Reconstruction option for each street. This document was provided to City Council via email prior to the June 23rd meeting. The Full Reconstruction option consists of a full depth replacement as well as concrete ribbon curb on either side of the street. We analyzed this option from a City street block standpoint (380 LF). For a 24- foot wide and 380-foot length street section the estimated total cost for Full Reconstruction of all City streets is \$22,028,000.

With all this in mind, we are preparing for the grant Phase I with the intent to secure funding for street repair / rehab in accordance with the Street Condition Assessments provided by Ardurra. If this \$750,000 grant was awarded to us, use existing Street fund balance for the match obligation and remaining balance, we could complete Year 1 (\$381,225) and Year 2 (\$444,816) of the Street Assessment plan. In addition, we could reinstate the utility bill fee to build up the fund's balance, to prepare for Year 3.

Next steps:

Publish a notice of RFP for Grant Administration Services in the August 23, 2026 issue of the newspaper and on our website with a submissions due date of September 9th.

Selection committee will meet on September 10th or 11th to score the submitted proposals and recommend the highest scoring contractor to City Council.

Proposed Selection committee:

- Toni Kunz
- Denise Griffin
- Jill Dickerson
- Kim McAleb
- Patricia McMullen

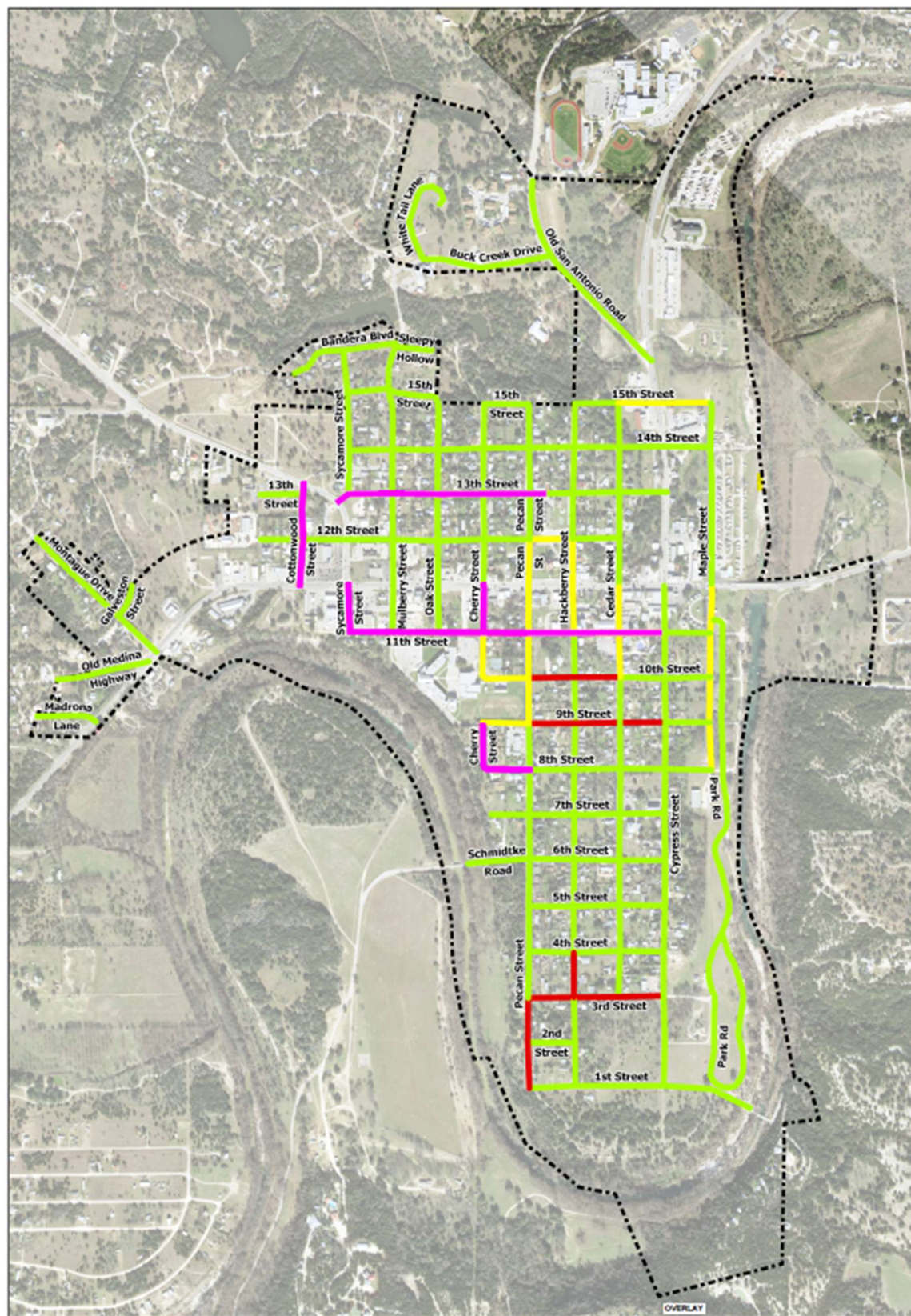
At the September 23rd meeting, Council will need to discuss and take action on a resolution to determine if the City shall move forward. The resolution will be to award the contract and allow the Mayor to enter into an agreement with the chosen contractor.

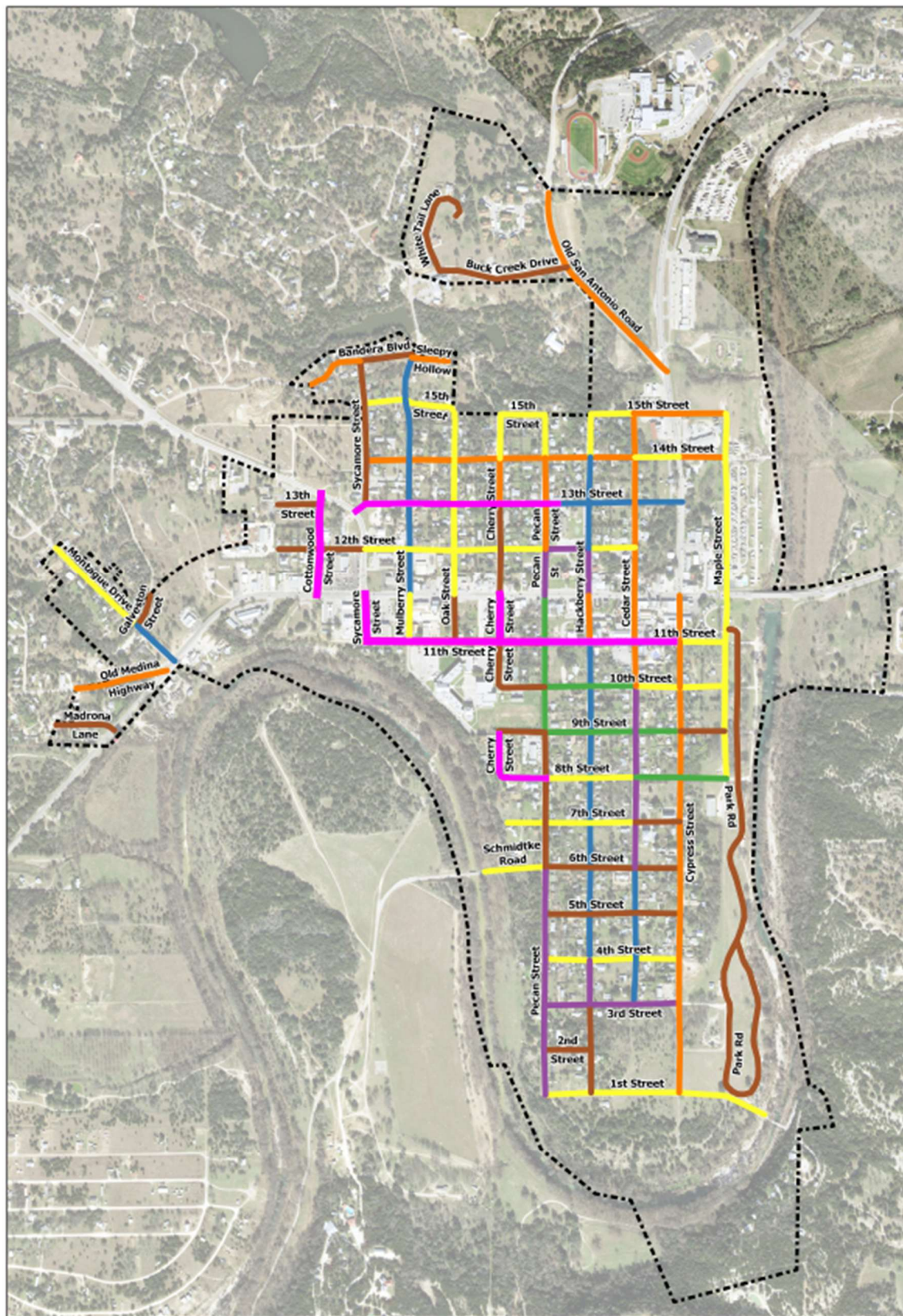
If the City is selected through Phase I, TDA will reach out and invite the City to apply for Phase II. In Phase II, we will develop the full application, including the detailed project scope, budget, and other required information. This is also when the City would move forward with procurement for engineering services to assist with the application. We estimate \$25K for engineering services for Phase II which could be paid out of the Street Right of Way funds. This is paid whether we are awarded the grant or not.

At that point, we essentially “back into” an eligible project/application based on the \$750,000 award amount and TDA’s program requirements. TDA will then review the full application, and if the project is determined to be eligible, TDA will move forward with the award.

If TDA does vote to make this an annual grant our match for the 2028 cycle will need to come from other sources, such as resuming street fund fee or general fund.

Images from the City of Bandera - Streets 2025 Unit Price Update street assessment document provided by Ardurra that is relevant to this topic:





Disclaimer: This map is for informational purposes only and does not constitute an offer of insurance or any other financial product. It does not represent an offer of insurance or any other financial product. It does not represent an offer of insurance or any other financial product. It does not represent an offer of insurance or any other financial product.

0 1,000 2,000 Feet



Street Schedule City of Bandera Exhibit D

Streets
Year Maintenance
Year 1
Year 2
Year 3
Year 4
Year 5
Year 6
Year 7
#10 Bandera City Limits

