



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78620

Submitted By: Keenan Smith, TIRZ Project Manager; Leslie Pollack, Transportation Engineer

TIRZ Meeting Date: July 14, 2025

Agenda Item Wording: **Discuss and consider approval of updated HDR Task Order and Budget related to the Old Fitzhugh Road Project based on expansion of tasks including TxDOT Grant Management.** *Sponsor: Mayor Pro Tem Taline Manassian*

Agenda Item Requestor:

Summary/Background: **Overview:**

HDR continues to diligently advance the OFR PSE's effort towards the 100% PSE Submission to TXDOT.

With acquisition of the needed ROW and Easements being finalized, and with critical path Utility relocations now underway, with the DSWC Water line resolved to be incorporated into the project, the project looks to be on schedule to be "Ready to Let" by the end of this year.

HDR OFR PSE Contract / Timeline / Fees:

- Original PSA: Executed 01/27/202; Original Fee: \$710,312
- Amendment 1: Executed 02/29/2024; Added Fee: \$188,147
- Total Fee Through Amendment #1: \$898,459
- 63% Complete (Invoices through current Billings: \$564,988)
- Contract Balance Remaining: \$68,172 (includes allowances for Bid & Construction Phase Services)

Background for Amendment #2:

Grant Funding: With HDR and City's assistance, the project has received a total of \$3,138,164 from two sources:

- Hays County POSAC: + \$1,605,000 (ILA Executed 6/25)

- TXDOT TA Grant: + \$1,533,164

This funding, while a welcome boon to overall project funding, has added certain tasks, scope and cost to the project, both in time and expenditures:

- **TxDOT Funding** – additional design submissions, paperwork, meetings, and reviews associated with TxDOT funding obtained after initial estimate of costs. HDR has estimated

Furthermore, Utility Coordination tasks have significantly increased, both in time and expenditures. Due to City Staffing changes, much of the anticipated burden for shared Utility Coordination has been necessarily shifted back to HDR, by default. In addition, significant challenges were experienced dealing with the DSWSC's Water line relocation and other utility issues.

- **Utility Coordination** – additional time spent coordinating with DSWSC and other overhead utilities

Lastly, the project has had to resolve a related bundle of technical and design issues, owing to existing conditions and a desire to meet Stakeholder Project Goals and Expectations:

- **Additional Design Issues** - efforts associated with the alignment of utility relocations / drainage / aesthetics / on the east side of Old Fitzhugh Road
 - Extension of the trail and landscaping to Roger Hanks Parkway
 - Drainage and easement redesign on Wolf property to facilitate easement acquisitions

HDR's Engineering efforts have continued to rise to these challenges, resolving design issues and assisting the City in Utility Coordination and dealing with TXDOT complications. Compensation for these additional tasks and scopes of work are not a part of the executed PSA and are what is being requested for Amendment #2, to ensure HDR is compensated for necessary and expanded project task and scope including projected forward tasks needed to take the project up through the 100% PSE's Completion and "Ready to Let."

Costs:

- Utility Coordination – additional time spent coordinating with DSWSC and other overhead utilities at \$61K
- TxDOT Funding – additional design submissions, paperwork, meetings, and reviews associated with TxDOT funding obtained after initial estimate of costs at \$25K
- Extension of the trail and landscaping to Roger Hanks Parkway at

\$7k

- Drainage and easement redesign on Wolf property to facilitate easement acquisitions at \$3K
 - Miscellaneous including Design efforts associated with the alignment of utility relocations / drainage / aesthetics / on the east side of Old Fitzhugh Road at \$10K

HDR previously estimated a 10% increase for this effort. Utility coordination / relocation support, and TxDOT process are the primary drivers for the higher increase (16%).

HDR requests \$146K for this work.

Staff Recommendations:

- Approval of the HDR OFR PSE Amendment #1- \$125K

Determine other funding sources for remaining services up to \$21K in separate request to ensure plans to 100% completion and submission to TxDOT.

- Subject to Budget Availability (FY '25 reconciliation / FY '26 projected)
- Funding Sources to be Identified:
 - o TIRZ- \$125K (max allocated into PSA Amendment #2 in FY '26 Budget)
 - o Transfer Balance from other HDR City contracts
 - o Other Sources

This will be paid with TIRZ funds for FY25 and FY26.

Total Old Fitzhugh Budget will not be determined until bids are received once this goes out for bid. The plans are at 90% at this time.

TIRZ will review on July 14, 2025.

**Commission
Recommendations:**

**Recommended
Council Actions:**

Approval of \$125,000 for HDR Task Order.

Attachments: Updated Scope, Staff Report

Next Steps/Schedule: If approved, City will pay invoices as they are received.