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## CITY COUNCIL CONSIDERATION ITEM

### CITY OF FAIR OAKS RANCH, TEXAS

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AGENDA TOPIC: Consideration and possible action approving a resolution authorizing execution of a Chapter 377 project funding agreement with the Fair Oaks Ranch Municipal Development District, and execution of all applicable documents by the City Manager

DATE: April 17, 2025

DEPARTMENT: Administration

PRESENTED BY: Scott M. Huizenga, ICMA-CM, City Manager

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#### **INTRODUCTION/BACKGROUND:**

On May 16, 2024, the City Council approved a resolution authorizing the execution of an agreement for design services of a gateway monument and directed the City Manager to submit a grant application to the Municipal Development District for the project.

At its regular meeting on January 8, 2025, the MDD Board evaluated the grant application in the amount of \$148,128.50 submitted by the City for a gateway monument at the intersection of Fair Oaks Parkway and Leslie Pfeiffer Drive. The Board determined the project complies with relevant statutes and aligns with the MDD's mission, goals, and objectives. Based on those determinations the Board approved the grant application and authorized the MDD President to proceed to negotiate a grant award agreement with the City.

After the grant application was approved, the City issued an RFP for the construction of the gateway monument and received three proposals. A committee reviewed each proposal and selected the vendor with the lowest and best bid. Construction costs for the gateway monument are \$199,840, and the City has expended \$25,000 to date on design costs for the project.

At its regular meeting on April 9, 2025, the MDD Board approved the City's amended application to include an amount up to \$224,840 to encompass the full project cost and approved execution of a project funding agreement with the City for this project.

#### **POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:**

This project has been designated as a priority in the Strategic Action Plan.

- 5.2.2 Develop Brand Identity and Credibility
- 5.2.6 Design and Construct a City Gateway Feature

The use of MDD funds for a gateway monument represents the use of sales tax proceeds to develop an asset that will provide long-term value to the City by reinforcing a positive image of the community and supporting future economic growth. The gateway monument will enhance the entryway into the City and establish a strong visual identity promoting civic pride and supporting the beautification of the City.

**LONGTERM FINANCIAL & BUDGETARY IMPACT:**

The total project cost including design and construction is \$224,840, of which the City will be reimbursed from the MDD upon completion of the project. The City has funds available to complete the project prior to receiving the reimbursement from the MDD. The upkeep and sustainable ongoing operations of the gateway monument will be incorporated into the routine maintenance schedule of the City's existing properties managed by the public works department.

**LEGAL ANALYSIS:**

The project funding agreement was prepared with assistance from the City Attorney and the resolution has been approved as to form.

**RECOMMENDATION/PROPOSED MOTION:**

I move to approve a resolution authorizing execution of a Chapter 377 project funding agreement with the Fair Oaks Ranch Municipal Development District for the construction of a gateway monument.